

**CABLE TELEVISION
RENEWAL FRANCHISE**

**GRANTED TO
HARRON CABLEVISION OF NEW HAMPSHIRE, INC.
d/b/a ADELPHIA CABLE COMMUNICATIONS**

**THE BOARD OF SELECTMEN
TOWN OF MILFORD, NEW HAMPSHIRE**

SEPTEMBER 8, 2003

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No content was changed during this process.*

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AGREEMENT

This Agreement, made this 8th day of September, 2003, between the Board of Selectmen of the Town of Milford, as statutory Franchising Authority pursuant to RSA:53-C, and Harron Cablevision of New Hampshire, Inc., d/b/a Adelphia Cable Communications, a Delaware corporation.

WITNESSETH

WHEREAS, the Franchising Authority of the Town of Milford, New Hampshire, pursuant to RSA Chapter 53-C, is authorized to grant one or more nonexclusive, revocable cable television renewal franchises to construct, upgrade, operate and maintain a cable television system within the Town of Milford; and

WHEREAS, the Franchising Authority conducted a public hearing, pursuant to Section 626(a) of the Cable Act, on May 13, 1996, to (1) ascertain the future cable-related community needs and interests of Milford, and (2) review the performance of The Americable Group, Adelphia's predecessor, during its then current franchise term and

WHEREAS, the Franchising Authority issued a Request for a Cable Television Renewal Proposal on February 12, 1997; and

WHEREAS, Americable submitted a renewal proposal, dated April 14, 1997, to the Town of Milford for a cable television renewal franchise to construct, upgrade, operate and maintain a cable television system in the Town of Milford; and

WHEREAS, Harron Cablevision of New Hampshire, Inc. ("Harron") submitted an FCC Form 394 request to the Board of Selectmen on March 12, 1998, requesting approval of its transfer of control of the Milford cable system from Americable; and

WHEREAS, the Board of Selectmen granted its consent to said Form 394 transfer request on August 24, 1998; and

WHEREAS, Adelphia Cable Communications ("Adelphia") submitted an FCC Form 394 request to the Board of Selectmen on April 9, 1999, requesting approval of its transfer of control of the Milford cable system from Harron; and

WHEREAS, the Board of Selectmen granted its consent to said Form 394 transfer request on August 16, 1999; and

WHEREAS, the Franchising Authority and Adelphia did engage in good faith negotiations to further clarify said renewal proposal and did agree on proposals to improve and upgrade cable television system facilities in Milford.

NOW THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound, the parties agree as follows:

Article 1 DEFINITIONS

Section 1.01 DEFINITIONS

For the purpose of this Renewal Franchise, the following words, terms, phrases and their derivations shall have the meanings given herein, unless the context clearly requires a different meaning. When not inconsistent with the context, the masculine pronoun includes the feminine pronoun, words used in the present tense include the future tense, words in the plural number include the singular number and words in the singular number include the plural number. The word shall is always mandatory and not merely directory.

- (1) Access: The right or ability of any Milford resident and/or any Persons affiliated with a Milford non-commercial institution to use designated facilities, equipment and/or channels of the Cable Television System, subject to the conditions and procedures established for such use.
- (2) Access Channel: A video channel which the Franchisee shall make available to the Franchising Authority and/or its designees, without charge, for the purpose of transmitting programming by members of the public, Town departments and agencies, public schools, educational, institutional and similar organizations.
- (3) Affiliate or Affiliated Person: When used in relation to any person, means another person who owns or controls, is owned or controlled by, or is under common ownership or control with, such person.
- (4) Basic Service: Any service tier which includes the retransmission of local television broadcast signals.
- (5) Bidirectional or Two-Way: Permitting communications on the Cable System in either of two directions.
- (6) Board of Selectmen: The Board of Selectmen of the Town of Milford, New Hampshire.
- (7) Cable Act: Public Law No.98-549, 98 Stat. 2779 (1984)(the Cable Communications Policy Act of 1984), as amended by Public Law No.102-385, 106 Stat. 1460 (1992) (the Cable Television Consumer Protection and Competition Act of 1992), as further amended by Public Law No.104-458, 110 Stat. 110 (1996) (the Telecommunications Act of 1996).
- (8) Cable Modem: A device which may be used to connect Subscribers to the Internet over the Cable System.
- (9) Cable Service: The one-way transmission to Subscribers of Video Programming or other Programming services, together with Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming services-

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- (10) Cable Television System or Cable System: A facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes Video Programming and which is provided to multiple Subscribers within the Town.
- (11) Commercial Subscriber: A commercial, non-residential Subscriber to Cable Television Service.
- (12) Complaint: Any oral or written communication from a Subscriber, the primary purpose of which is to express dissatisfaction with the service, policies and/or procedures of the Franchisee.
- (13) Connection: A Drop, but not including ancillary equipment.
- (14) Converter: Any device changing the frequency of a Signal. A Subscriber Converter may expand reception capacity and/or unscramble coded Signals distributed over the Cable System.
- (15) Department of Public Works ("DPW"): The Department of Public Works of the Town of Milford, New Hampshire.
- (16) Downstream Channel: A channel over which Signals travel from the Cable System Headend to an authorized recipient of Programming.
- (17) Drop: The coaxial cable that connects each home or building to the feeder line of the Cable System.
- (18) Educational Access Channel: A specific channel(s) on the Cable System which is made available for use by, among others, educational institutions and/or educators wishing to present non-commercial educational programming and/or information to the public.
- (19) Execution Date of Renewal Franchise: September 8, 2003.
- (20) FCC: The Federal Communications Commission, or any successor agency.
- (21) Franchise Fee: The payments to be made by the Franchisee to the Town, which shall have the meaning as set forth in Section 622(g) of the Cable Act.
- (22) Franchisee: Harron Cablevision of New Hampshire, Inc., d/b/a Adelphia Cable Communications, or any successor or transferee in accordance with the terms and conditions in this Renewal Franchise.
- (23) Franchising Authority: The Board of Selectmen of the Town of Milford, New Hampshire.
- (24) Government Access Channel: A specific channel(s) on the Cable System which is made available for use by the Franchising Authority and/or its designee(s).
- (25) Gross Annual Revenues: Consideration of any form or kind derived by the Franchisee and/or its Affiliates from the provision of Cable Service over the Cable Television System including, without limitation: the distribution of any Cable Service over the System; the provision of any Service Related Activity in connection with the operation of the System; Basic

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Service monthly fees; all other Service fees; installation, reconnection, downgrade, upgrade and any similar fees; interest collected on Subscriber fees and/or charges; any other Subscriber fees and/or charges including, but not limited to, Franchise Fees (ie: fee-on-fee); all Commercial Subscriber revenues; all other fees and/or revenues permitted by applicable law; all revenues collected from the provision of Internet Service(s) and/or Cable Modem Services, unless a court of competent jurisdiction or a regulatory body of appropriate jurisdiction makes a final ruling that such Cable Modem Service is not legally deemed to constitute a Cable Service; fees paid for Channels designated for commercial use; home-shopping revenues; Converter, remote control and other equipment rentals, leases or sales; studio and other facility or equipment rentals; advertising revenues received; and all other revenue(s) derived from the sale of products in any way advertised or promoted on the Cable Television System. In the event that an Affiliate and/or any other Person is responsible for advertising, advertising revenues shall be deemed to be the pro-rata portion of advertising revenues, paid to the Cable System by an Affiliate or such other Person for said Affiliate's or such other Person's use of the Cable Television System for the carriage of advertising. Gross Annual Revenues shall also include the Gross Revenue of any other Person which is derived directly or indirectly from, or in connection with, the operation of the System to the extent that said revenue is derived, through a means which has the effect of avoiding payment of Franchise Fees to the Town that would otherwise be paid herein. Gross Annual Revenues shall not include actual bad debt that is written off, consistent with Generally Accepted Accounting principles; provided, however, that all or any part of any such actual bad debt that is written off, but subsequently collected, shall be included in Gross Annual Revenues payments to the Town in the period so collected. Gross Annual Revenues shall not include deposits, which deposits shall be returned to Subscribers.

(26) Headend: The electronic center of the Cable System containing equipment that receives, amplifies, filters and converts incoming Signals for distribution over the .Cable System.

(27) Hub or Hub Site: A sub-Headend, generally located within a cable television community, used for the purpose of either (i) Signal processing or switching, or (ii) placement of a Fiber Node, microwave link or transportation super trunk.

(28) Internet: The world-wide computer network.

(29) Leased Channel or Leased Access: A video channel which the Franchisee shall make available pursuant to Section 612 of the Cable Act.

(30) Node or Fiber Node: A remote point(s) in the Cable System connecting fiber-optic cable to the Trunk and Distribution System.

(31) Normal Business Hours: Those hours during which most similar businesses in the Town are open to serve customers. In all cases, Normal Business Hours shall include some evening hours at least one (1) night per week and/or some weekend hours.

(32) Outlet: An interior receptacle, generally mounted in a wall, that connects a Subscriber's or User's equipment to the Cable System.

(33) Pay Cable or Pay Service(s): Programming delivered for a fee or charge to Subscribers on a per-channel or group-of-channels basis.

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- (34) Pay-Per- View: Programming delivered for a fee or charge to Subscribers on a per-program or per-event basis.
- (35) PEG: The acronym for "public, educational and governmental," used in conjunction with Access Channels, support and facilities.
- (36) Pedestal: A protection unit used in housing Cable Television System equipment and/or amplifiers.
- (37) Person: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.
- (38) Prime Rate: The prime rate of interest at FleetBoston, or its successor.
- (39) Programming or Video Programming: Programming provided by, or generally considered comparable to programming provided by, a television broadcast station.
- (40) Public Access Channel: A specific channel(s) on the Cable System which is made available for use by, among others, Milford individuals and/or organizations wishing to present non-commercial programming and/or information to the public.
- (41) Public Way or Street: The surface of, as well as the spaces above and below, any and all public streets, avenues, highways, boulevards, concourses, driveways, bridges, tunnels, parks, parkways, waterways, bulkheads, piers, dedicated public utility easements, and public grounds or waters and all other publicly owned real property within or belonging to the Town, now or hereafter existing. Reference herein to "Public Way" or "Street" shall not be construed to be a representation or guarantee by the Town that its property rights are sufficient to pennit its use for any purpose, or that the Franchisee shall gain or be permitted to exercise any rights to use property in the Town greater than those already possessed by the Town.
- (42) Renewal Franchise: The non-exclusive Cable Television Franchise granted to the Franchisee by this instrument.
- (43) Satellite Service Tier: The tier of Service above the Basic Service tier, except that the Satellite Service Tier shall not include any Pay-Per-View Services or any Services that are available as a package of ala carte Services.
- (44) Scrambling/encoding: The electronic distortion of a Signal(s) in order to render it unintelligible or unreceivable without the use of a Converter or other decoding device.
- (45) Service: Any Basic Service, any Pay Service, or any other Service offered over the Cable Television System over which the Franchising Authority has lawful regulatory jurisdiction under this Renewal Franchise, whether or not originated by the Franchisee, which is offered to any Subscriber in conjunction with, or which is distributed over, the Cable Television System.
- (46) Service Related Activity: Any activity or function for which the Franchisee receives revenue from any other Person and which is directly associated with the operation of the Cable System to provide Cable Service(s).

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(47) Signal: Any transmission of electromagnetic or optical energy which carries information from one location to another for the provision of Service.

(48) State: The State of New Hampshire.

(49) Subscriber: Any Person, firm, corporation or other entity in the Town who or which elects to subscribe to, for any purpose, a Service provided by the Franchisee by means of, or in connection with, the Cable Television System.

(50) Subscriber Network: The Cable System to be operated by the Franchisee, over which Signals can be transmitted to Subscribers, as more fully described in Section 4.1 infra.

(51) System Activation: The initial operation of all or a portion of the coaxial cable and related apparatus of the Cable Television System such that the Signals required and authorized to be transmitted pursuant to this Renewal Franchise are available at potential Subscriber's taps.

(52) System Completion: That point when the Franchisee has provided written documentation to the Town that its upgraded digital, bi-directional Trunk and Distribution System has been fully completed and service has been made available to one hundred percent (100%) of the residential households in the Town, subject to Section 4.1 and Section 5.2 herein.

(53) Town: The Town of Milford, New Hampshire.

(54) Town Attorney: The Town Attorney of the Town of Milford, New Hampshire.

(55) Transfer: The disposal by the Franchisee, directly or indirectly, by gift, assignment, sale, merger, consolidation or otherwise, of the ownership resulting in a change of control of the System or of this Renewal Franchise, to a Person or a group of Persons.

(56) Trunk and Distribution System: That portion of the Cable System for the delivery of Signals, but not including Drops to Subscriber's residences.

(57) Upstream Channel: A channel over which Signals travel from an authorized location to the System Headend.

(58) User: A Person utilizing the Cable Television System, including all related facilities for purposes of production and/or transmission of electronic or other Signals as opposed to utilization solely as a Subscriber.

(59) VCR: The acronym for video cassette recorder.

Article 2 GRANT OF RENEWAL FRANCHISE

Section 2.01 GRANT OF RENEWAL FRANCHISE

Pursuant to the authority of RSA Chapter 53-C, and subject to the terms and conditions set forth herein, the Board of Selectmen of the Town of Milford, New Hampshire, as the Franchising Authority of the Town, hereby grants a non-exclusive, revocable cable television Renewal Franchise to the Franchisee, a Delaware corporation established for such purpose, authorizing and permitting the Franchisee to construct, upgrade, install, operate and maintain a Cable Television System within the corporate limits of the Town of Milford.

This Renewal Franchise is subject to the terms and conditions contained in Chapter 53-C of the Laws of New Hampshire, as amended; the Cable Act; the regulations of the FCC; and all Town, State and federal statutes and by-laws of general application.

Subject to the terms and conditions herein, the Franchising Authority hereby grants to the Franchisee, the right to construct, upgrade, install, operate and maintain a Cable Television System in, under, over, along, across or upon the streets, lanes, avenues, alleys, sidewalks, bridges, highways and other public places under the jurisdiction of the Town of Milford within the municipal boundaries and subsequent additions thereto, including property over which the Town has an easement or right-of-way, for the purpose of reception, transmission, collection, amplification, origination, distribution, and/or redistribution of Signals in accordance with the laws of the United States of America, the State of New Hampshire and the Town of Milford. In exercising rights pursuant to this Renewal Franchise, the Franchisee shall not endanger or interfere with the lives of Persons, interfere with any installations of the Town, any public utility serving the Town or any other Persons permitted to use Public Ways and places.

Grant of this Renewal Franchise does not establish priority for use over other present or future permit holders or the Town's own use of Public Way and places. Any references herein to "Public Way" or "Street" shall not be construed to be a representation or guarantee by the Town that its property rights are sufficient to permit its use for any purpose, or that the Franchisee shall gain or be permitted to exercise any rights to use property in the Town greater than those already possessed by the Town.

Disputes between the Franchisee and other parties regarding use of Public Ways and places shall be resolved in accordance with applicable DPW regulations and any special laws or Town ordinances enacted hereafter .

Section 2.02 TERM OF RENEWAL FRANCHISE

The term of this Renewal Franchise shall be for eight (8) years, commencing on the Execution Date, September 8, 2003, and expiring on September 7, 2011, unless sooner terminated as provided herein or surrendered.

Section 2.03 **NON-EXCLUSIVITY OF THE RENEW AL FRANCHISE**

This Renewal Franchise shall not affect the right of the Franchising Authority to grant to any other Person a franchise or right to occupy or use the Public Ways or streets, or portions thereof, for the construction, installation, operation or maintenance of a cable television system within the Town of Milford; or the right of the Franchising Authority to permit the use of the Public Ways and places of the Town for any lawful purpose. The Franchisee hereby acknowledges the Franchising Authority's right to make such grants and permit such uses.

Section 2.04 **POLICE AND REGULATORY POWERS**

By executing this Renewal Franchise, the Franchisee acknowledges that its rights are subject to the powers of the Town to adopt and enforce general by-laws necessary to the safety and welfare of the public. The Franchisee shall comply with all generally applicable DPW regulations, and any by-laws enacted by the Town. Any conflict between the terms of this Renewal Franchise and any present or future lawful exercise of the Town's police and generally applicable regulatory powers shall be resolved in favor of the latter.

Section 2.05 **REMOVAL OR ABANDONMENT**

Upon termination of this Renewal Franchise by passage of time or otherwise, and unless (I) the Franchisee renews its franchise for another term or (2) the Franchisee Transfers the Cable Television System to a transferee approved by the Franchising Authority, the Franchisee shall remove all of its supporting structures, poles, transmission and distribution systems, and all other appurtenances from the Public Ways and places and shall restore all areas to their original condition. If such removal is not complete within six (6) months after such termination, the Franchising Authority may deem any property not removed as having been abandoned and may dispose of any such property in any way or manner it deems appropriate.

Section 2.06 **AMENDMENT BY MUTUAL AGREEMENT**

This Renewal Franchise may only be amended by the mutual agreement of the Franchising Authority and the Franchisee, in writing, duly executed and signed by both parties, and attached hereto and made a part of this Renewal Franchise.

Article 3

TRANSFER AND ASSIGNMENT OF RENEW AL FRANCHISE

Section 3.01 RESTRICTIONS AGAINST TRANSFERS

(a) Neither this Renewal Franchise, nor any rights or obligations of the Franchisee in or pursuant to this Renewal Franchise or the Cable System shall be transferred in part or as a whole, by assignment, trust, lease, sublease, and is not to be sold, transferred, leased, assigned, or disposed of in part or as a whole, either by forced sale, merger, consolidation, or otherwise, nor shall title thereto, either legal or equitable, or any right or interest therein, pass to or vest in any Person, nor shall any change in control of the Franchisee or the Cable System occur, either by any act of the Franchisee or by any parent company of the Franchisee, by operation of law or otherwise, in each such case without the prior consent of the Franchising Authority, which consent shall not be unreasonably withheld or delayed, and which shall be expressed in writing, subject to reasonable and lawful conditions, including, but not limited to, curing any Renewal Franchise non-compliance. The limitations and restrictions in this Section 3.1(a) shall not prohibit the provision of security interests in the Cable System for the purpose of securing financing; provided, however, that no change in ownership or Transfer as a result of any such security interests may be exercised or occur, except as allowed pursuant to Section 3.2 supra.

(b) For purposes of this Section 3.1, any sale, assignment or any other disposition of a majority ownership interest of the parent company of the Franchisee to anyone Person or group of Persons acting in concert, in one transaction or a series of related transactions, shall be deemed to be a change of control of the Franchisee. This Section 3.1(b) shall not apply to an assignment or Transfer of the control to assignees or transferees controlled by the Franchisee or its parent; provided, however, that the Franchisee shall provide the Franchising Authority with prior, written notice of any such assignment or transfer of control. The word "control" as used in this section is not limited to major stockholders but includes actual working control in whatever manner exercised and includes control of the parent company of the Franchisee.

(c) Neither the Franchisee nor its parent company shall enter into any management contract or any other arrangement for the management of the Cable System, however structured, without the prior written consent of the Franchising Authority, subject to reasonable and lawful conditions, including, but not limited to, curing any Renewal Franchise non-compliance.; provided, however, that this Section 3.1 (c) shall not apply to the Franchisee's employment contracts and other personnel decisions.

Section 3.02 APPROVAL PROCEDURE

(a) The Franchisee shall promptly notify the Franchising Authority of any action or proposed action requiring the consent of the Franchising Authority pursuant to this Article 3.

(b) The Franchisee shall submit to the Franchising Authority an original and three (3) copies of its FCC Form 394 (or such other or successor form used to request consent to any such Transfer or assignment), which form shall fully describe the action or proposed action and clearly

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state the basis on which the Transfer or assignment should be approved. The request for approval of Transfer or assignment shall also contain all reasonably appropriate documentation and such additional information as the Franchising Authority may reasonably require. The Transfer or assignment form shall be signed by the Franchisee and by the proposed transferee or by its representative, evidence of whose authority shall be submitted with such petition.

(c) The consent of the Franchising Authority shall be given only after a public hearing, if such a hearing is deemed necessary by either the Franchising Authority or the transferee, to consider the written request for Transfer. The Franchising Authority shall complete review of the request for Transfer and make a decision thereto no later than one hundred twenty (120) days after receipt of the request for Transfer. If the Franchising Authority fails to render a final decision on such request within said 120 days, such request shall be deemed granted unless the requesting party and the Franchising Authority agree to an extension of time.

(d) For purposes of determining whether it shall consent to any such change of control and ownership, the Franchising Authority shall inquire into the legal, financial, management and technical qualifications of the prospective controlling or owning Person, and including, but not limited to, such Person's cable-related experience, if any, in other communities, any and all matters relative to the ability and likelihood of such Person adhering to all of the terms and conditions of this Renewal Franchise, and whether the proposed change of control and ownership is in the public interest.

(e) In accordance with applicable law, at any time during the Franchising Authority's review process, the Franchising Authority reserves the right to require additional supporting documentation from the Franchisee or any other Person involved in the action or proposed action. The Franchisee shall provide all requested assistance to the .Franchising Authority in accordance with any such inquiry and, as appropriate, shall secure the cooperation and assistance of all other Persons involved in such action.

Section 3.03 CONDITIONS RELATED TO TRANSFER

(a) Any proposed controlling or owning Person or transferee approved by the Franchising Authority shall be subject to all of the terms and conditions contained in this Renewal Franchise, subject to reasonable and lawful conditions, including, but not limited to, curing any Renewal Franchise non-compliance.

(b) The consent of the Franchising Authority to a Transfer of this Renewal Franchise shall not be given if it appears from either the Transfer petition or subsequent investigation that the proposed transferee will not adhere to all of the terms and conditions of this Renewal Franchise.

Section 3.04 EFFECT OF UNAUTHORIZED ACTION

(a) The taking of any action in violation of Sections 3.1, 3.2 and/or 3.3 herein shall be null and void, and shall:
(i) be deemed a material breach of this Renewal Franchise; and

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(ii) among other remedies available to the Town, be subject to a liquidated damages assessment, which assessment shall be One Thousand Dollars (\$1,000.00) per day until the taking of an action described in Section 3.2 supra is approved, or if not approved, until the prior ownership, control or other status quo ante is restored to a condition satisfactory to the Town.

(b) If the Franchising Authority denies its consent to any such action and a Transfer has nevertheless been effected, the Franchising Authority may revoke and terminate this Renewal Franchise.

(c) The grant or waiver of anyone or more of such consents shall not render unnecessary any subsequent consent or consents, nor shall the grant of any such consent constitute a waiver of any other rights of the Town.

Section 3.05 NO WAIVER OF RIGHTS

The consent or approval of the Franchising Authority to any assignment, lease, Transfer, sublease, or mortgage of the Renewal Franchise granted to the Franchisee shall not constitute a waiver or release of the rights of the Town in and to the streets and Public Ways or any other rights of the Town under this Renewal Franchise, and any such Transfer shall, by its terms, be expressly subordinate to the terms and conditions of the Renewal Franchise.

Section 3.06 RENEWAL FRANCHISE SIGNATORY

Any approval by the Franchising Authority of Transfer of ownership or control of the Cable System shall be contingent upon the prospective transferee and/or controlling Person or party becoming a signatory to the Renewal Franchise.

Article 4 SYSTEM DESIGN

Section 4.01 **SUBSCRIBER NETWORK**

(a) No later than twelve (12) months from the Execution Date of this Renewal Franchise, the Franchisee shall make available to all residents of the Town an 860 MHz Subscriber Network, fed by means of a hybrid fiber-optic/coaxial cable network. Said Cable System shall be capable of providing at least one hundred ten (110) video channels in the downstream direction and four (4) video channels in the upstream direction.

(b) Until the completion of the 860 MHz Subscriber Network described in paragraph (a) above, the Franchisee shall continue to operate its four hundred fifty Megahertz (450 MHz) cable system, capable of providing, as of the Execution Date of this Renewal Franchise, at least sixty- two (62) Downstream Channels.

(c) No later than twelve (.12) months from the Execution Date of this Renewal Franchise, the Franchisee shall remove its current subscriber network and related equipment from the Public Ways; provided, however, that the Franchisee may retain those portions of said subscriber network that can be utilized during the renewal term; and, provided, further, that the Franchisee shall work with the Franchising Authority, in good faith, to address any concerns of the Town regarding the Franchisee's occupation of the Public Ways and/or public safety. In the event of disagreement between the Town and the Franchisee on specific cable plant to be removed from the Public Ways, the Town and the Franchisee shall meet and discuss the issue(s), in good faith, in order to resolve any such disagreements. The Town shall request that other users of the Public Ways use their best efforts to remove unused plant and equipment from the Public Ways.

(d) Throughout the term of this Renewal Franchise, with its best efforts on a daily basis, but in any case not less frequently than every other day, the Franchisee shall analyze and ensure that the audio levels on all Downstream Channels, which audio levels are under the control of the Franchisee, are consistently level. Any deviation from this requirement of consistent audio level service by the Franchisee shall be corrected as soon as possible; provided, however, that any such deviation shall be corrected within twenty-four (24) hours of the discovery of such deviation. Any inability to comply with this Section 4.1 (d) shall be reported to the Franchising Authority not later than the next business day. In the event that the Franchisee is repeatedly unable to comply with the requirements of this Section 4. .1(d), the Franchisee shall subsequently add and install automatic audio leveling equipment on all Subscriber Network Downstream Channels within ninety (90) days of such determination; provided, however, that the Franchising Authority and the Franchisee shall meet in good faith, prior to the Franchisee purchasing and installing such equipment, to discuss, among other things, the costs of such equipment, the impact of such costs on subscriber rates, and the technical feasibility of adding such equipment in order to remedy said audio leveling problem(s). In the event that the Franchising Authority and the Franchisee agree, in good faith, that the costs and/or technical feasibility of adding such equipment is not in the best interests of Subscribers at that time, the Franchisee shall not be required to add and install such equipment at that time. Such a finding shall be memorialized by

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the parties in writing. For purposes of this Section 4.1 (d), the word "repeatedly" shall be deemed to occur when there is at least one (1) unresolved failure to resolve the audio-leveling problem(s) each week for three (3) consecutive weeks. In the event that the FCC or the State of New Hampshire develops new and/or different audio specifications with respect to the Cable System, the Franchisee shall adhere to such specifications.

(e) The Franchisee shall transmit all of its Signals to Subscribers in stereo, provided that such Signals are delivered to the Franchisee in stereo.

(t) The terms of this Section 4.1 shall be satisfactorily met only upon System Completion as required herein.

Section 4.02 EMERGENCY ALERT SYSTEM

The Franchisee shall comply with the Emergency Alert System in accordance with the requirements of the FCC at 47 C.F.R., Part 11. The Franchisee shall cooperate with the Franchising Authority to ensure the distribution of all emergency communications to Subscribers.

Section 4.03 PARENTAL CONTROL CAPACITY

Subject to applicable regulation(s), the Franchisee shall provide Subscribers, upon request, with the capacity to control the reception of any channels being received on their television sets.

Section 4.04 SIGNAL QUALITY

The system design of the Cable Television System shall conform to all applicable FCC technical specifications.

Article 5

CONSTRUCTION, INSTALLATION, LINE EXTENSION AND MAINTENANCE STANDARDS

Section 5.01 LOCATION OF CABLE TELEVISION SYSTEM

The Franchisee shall construct, upgrade, install, operate and maintain the Cable Television System within the Town of Milford. Poles, towers and other obstructions shall be erected so as not to interfere with vehicular or pedestrian traffic over Public Ways and places. The erection and location of all poles, towers and any other obstructions shall be in accordance with applicable Town by-laws and regulations.

Section 5.02 SERVICE AVAILABLE TO ALL RESIDENTS

(a) The Franchisee shall make its Cable Service available to all residents in the Town, subject to Section 5.2(b) and Section 5.3 below.

(b) Installation charges shall be non-discriminatory. Any dwelling unit within one hundred and fifty feet (150') of the Franchisee's nearest feeder cable(s) shall be entitled to a standard installation rate. Any installation in excess of 150' shall be provided upon payment of the Franchisee's actual costs, for those portions in excess of 150'.

Section 5.03 LINE EXTENSION

(a) Subject to the provisions of the following paragraphs (b), (c), (d) and (e), any potential Subscriber located in an area of the Town currently without Service may request service from the Franchisee. The Franchisee shall extend Service to such area promptly, but in no case later than sixty (60) days after all necessary permits are obtained. The Franchisee shall expeditiously seek all necessary permits.

(b) The Cable Television System shall be extended automatically, at the Franchisee's sole cost and expense, from existing cable plant to any and all areas of the Town containing twenty (20) residences per aerial mile of cable plant or fractional proportion thereof. Said service shall be made available and fully activated to requesting Subscribers no later than sixty (60) days after the Franchisee's receipt of permission to attach cable to poles. -

(c) The Cable Television System shall be further extended to all areas in the Town that do not meet the requirements of subsection (b) above upon request of the prospective Subscribers in such areas and based upon the following cost calculation: If a request for an extension into a residential area requires the construction of the cable plant which does not contain the twenty (20) residences per aerial mile of cable plant or a fractional part thereof, the Franchisee and the potential Subscriber will each be responsible for their proportionate share of construction costs.

(d) Any potential residential Subscriber located in an area of the Town without cable television service may request such service from the Franchisee. In areas meeting the requirements of Section 5.3(b) above, the Franchisee shall extend service to the area promptly, but in no case later than sixty (60) days after the Franchisee's receipt of permission to attach cable to poles. The Franchisee shall expeditiously seek all necessary permits. In those areas with less than twenty (20) residences per aerial mile, the Franchisee shall, within thirty (30) days following a request for service, conduct a survey to determine the number of homes in the immediate area and shall inform each potential Subscriber of the total cost of the extension and the range of possible contributions {see Section 5.3(c) above} that will be charged. The Franchisee shall apply for permission to attach cables to poles within fourteen (14) days of receiving the contribution(s) from prospective Subscribers. Cable Service(s) shall be made available and fully activated to all requesting Subscribers who made a contribution within sixty (60) days of the Franchisee's receipt of permission to attach cables to poles.

(e) During the three (3) year period commencing with the completion of any particular line extension contemplated in subsection (c) above, in order to be equitable to those Subscribers who have made a contribution, the Franchisee may require proportionate contributions from new Subscribers and shall pay a pro-rata refund to any previous Subscriber(s) who made a contribution, as such new Subscribers are added to that particular line extension. The amount of refund shall be determined by application of the line extension formula, contained in Section 5.3(c) above, reducing the per capita contribution each time a new Subscriber is added. Any refunds due shall be paid annually to Subscribers, or former Subscribers, entitled to receive such a refund. To the extent allowable by Section 631 of the Cable Act, the Franchisee shall file with the Franchising Authority, on an annual basis, the location of such line extension and exact contribution of each new Subscriber in a line extension area.

Section 5.04 UNDERGROUND FACILITIES

In the areas of the Town having telephone lines and electric utility lines underground, whether required by law or not, all of the Franchisee's lines, cables and wires shall be underground. At such time as these facilities are placed underground by the telephone and electric utility companies or are required to be placed underground by the Town, the Franchisee shall likewise place its facilities underground at its sole cost and expense. Underground cable lines shall be placed beneath the pavement subgrade. It is the policy of the Town that existing poles for electric and communication purposes be utilized wherever possible and that underground installation is preferable to the placement of additional poles.

Section 5.05 TREE TRIMMING

In the installation of amplifiers, poles, other appliances or equipment and in stringing of cables and/or wires as authorized herein, the Franchisee shall avoid all unnecessary damage and/or injury to any and all shade trees in and along the streets, alleys, public ways and places, and private property in the Town. The Franchisee shall comply with all rules established by the Franchising Authority or its designee during the term of this Renewal Franchise. All tree and/or root trimming and/or pruning provided for herewith shall be done pursuant to appropriate

regulations of the Town.

Section 5.06 RESTORATION TO PRIOR CONDITION

Whenever the Franchisee takes up or disturbs any pavement, sidewalk or other improvement of any Public Way or place, the same shall be replaced and the surface restored in as good condition as before entry as soon as practicable. If the Franchisee fails to make such restoration within a reasonable time, the Franchising Authority may fix a reasonable time for such restoration and repairs and shall notify the Franchisee in writing of the restoration and repairs required and the time fixed for performance thereof. Upon failure of the Franchisee to comply within the specified time period, the Franchising Authority may cause proper restoration and repairs to be made and the reasonable expense of such work shall be paid by the Franchisee upon demand by the Franchising Authority.

Section 5.07 TEMPORARY RELOCATION

The Franchisee shall temporarily raise or lower its wires or other equipment upon the reasonable request of any Person holding a building moving permit issued by the Town. The expense of such raising or lowering shall be paid by the party requesting such move. The Franchisee shall be given reasonable notice necessary to maintain continuity of service.

Section 5.08 DISCONNECTION AND RELOCATION

The Franchisee shall, without charge to the Franchising Authority and/or the Town, protect, support, temporarily disconnect, relocate in the same street, or other Public Way and place, or remove from any street or any other Public Ways and places, any of its property as required by the Franchising Authority or its designee by reason of traffic conditions, public safety, street construction, change or establishment of street grade, or the construction of any public improvement or structure by any Town department acting in a governmental capacity.

Section 5.09 EQUIPMENT

The Franchisee shall install new equipment, except for strand and related hardware, in the upgrade of the Cable Television System; provided, however, that the Franchisee (i) shall not be required to replace any existing coaxial cable or other serviceable existing equipment and (ii) may install used in-home equipment, such as Converters, in good repair. The Franchisee shall keep a record of equipment invoices or material transfers to assure compliance with Section 5.9.

Section 5.10 SAFETY STANDARDS

The Franchisee shall construct, upgrade, install, operate, maintain and remove the Cable Television System in conformance with Occupational Safety and Health Administration regulations, the National Electric Code, the National Electrical Safety Code, Bell Telephone Systems Code of Pole Line Construction (when applicable), the rules and regulations of the

Commission and the FCC, all building and zoning codes, and all land use restrictions as the same exist or may be amended hereafter.

Section 5.11 PEDESTALS

In any cases in which Pedestals are to be utilized, in Town Public Ways or within the Town public lay-out, such equipment must be low-profile, wherever practical, at Town approved locations to be determined when the Franchisee applies for a permit, which shall not be unreasonably denied. All such equipment shall be shown on the strand maps, submitted to the Town in accordance with Section 5.14 infra.

Section 5.12 PRIVATE PROPERTY

The Franchisee shall be subject to all generally applicable laws, by-laws and/or regulations regarding private property in the course of constructing, upgrading, installing, operating and maintaining the Cable Television System in the Town. The Franchisee shall promptly repair or replace all private property, real and personal, damaged or destroyed as a result of the construction, upgrade, installation, operation or maintenance of the Cable Television System without charge to the Franchising Authority or the affected Subscriber(s).

Section 5.13 RIGHT TO INSPECTION OF CONSTRUCTION

The Town or its designee shall have the right to inspect all construction, installation and/or upgrade work performed subject to the provisions of this Renewal Franchise and to make such tests as it shall deem necessary to ensure compliance with the terms and conditions of this Renewal Franchise and all other applicable law. Any such inspection shall not interfere with the Franchisee's operations.

Section 5.14 CONSTRUCTION MAPS

At the request of the Franchising Authority, upon System Completion, the Franchisee shall make available to the Franchising Authority or its designee accurate strand maps of all existing and newly constructed plant. If changes are made in the Cable System, the Franchisee shall make available updated maps or appropriate drawings annually, not later than fifteen (15) days after each anniversary of the Effective Date of this Renewal Franchise. If available, the Franchisee shall file such maps with the Franchising Authority electronically.

Section 5.15 SERVICE INTERRUPTION

Except where there exists an emergency situation necessitating a more expeditious procedure, the Franchisee may interrupt service for the purpose of repairing or testing the Cable Television System, only during periods of minimal use.

Section 5.16 **COMMERCIAL ESTABLISHMENTS**

The Franchisee shall make available its Cable Service(s) to any commercial establishments in the Town, along its cable routes; provided, however, that in the event that there are any exceptional costs, such as excessive undergrounding or distance from existing Cable System plant in excess of two hundred feet (200'), associated with providing such Cable Service, the parties are able to reach a reasonable agreement regarding the terms and costs of initial installation and that the Franchisee has reasonable access to conduits, poles and/or other appropriate facilities in order to serve such commercial establishments.

Article 6 SERVICES AND PROGRAMMING

Section 6.01 **BASIC SERVICE**

The Franchisee shall provide a Basic Service which shall include at least: (1) all broadcast television Signals in the Milford, New Hampshire area which are required to be carried by a cable television system serving the Town pursuant to statute or regulation; and (2) the PEG Access Channels for public, educational and governmental access use as required by Section 7.2 of this Renewal Franchise.

Section 6.02 **PROGRAMMING**

(a) Pursuant to Section 624 of the Cable Act, the Franchisee shall maintain the mix, quality and broad categories of Programming set forth in Exhibit 1 attached hereto and made a part hereof.

(b) The Franchisee shall provide the Franchising Authority and all Subscribers with thirty (30) days advance written notice of any change in its Milford Programming line-up, if the change is within the control of the Franchisee.

Section 6.03 **TWO-WAY CABLE SYSTEM**

Unless otherwise prohibited by applicable law, upon System Completion pursuant to Section 4.1(a) supra, the Franchisee shall operate a fully two-way capable Trunk and Distribution System. Such capability shall be activated upon a determination by the Franchisee that it is technologically feasible and economically advantageous to the Franchisee and its Subscribers.

Section 6.04 **LEASED CHANNELS FOR COMMERCIAL USE**

Pursuant to Section 612 (b)(1)(B) of the Cable Act, the Franchisee shall make available channel capacity for commercial use by Persons unaffiliated with the Franchisee.

Section 6.05 **VCR/CABLE-READY TV SET/CABLE COMPATIBILITY**

(a) The Franchisee shall provide to any Subscriber, upon request, an A/B switch which will allow VCR owners to tape and view any channel capable of being tuned by such owner's television set and/or VCR, except in instances involving two (2) Scrambled Signals.

(b) Attached hereto, as Exhibit 2, are the different options available to VCR owners for installing VCRs to be compatible with the Cable System. The Franchisee shall make these options available to all Subscribers in writing with the applicable charges, if any.

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(c) To ensure the maximum functioning of VCRs and cable-ready television sets, the Franchisee shall not Scramble or otherwise encode, in any manner or form, for the entire term of this Renewal Franchise, (i) any off-the-air Signals and/or (ii) any of the PEG Access Channels. For purposes of this Section 6.5(c), "off-the-air Signals" shall mean any broadcast television Signals received at the Franchisee's Headend without the aid of any intervening relay device or receiving dishes.

(d) To further ensure the maximum functioning of VCRs and cable-ready television sets {including features such as "picture-in-picture", etc.}, the Franchisee shall fully comply with any applicable federal equipment compatibility regulations.

Section 6.06 CONTINUITY OF SERVICE

It shall be the right of all Subscribers to receive Service insofar as their financial and other obligations to the Franchisee are honored. The Franchisee shall ensure that all Subscribers receive continuous, uninterrupted Service, except for necessary Service interruptions. When necessary Service interruptions can be anticipated, the Franchisee shall notify Subscribers in advance.

Section 6.07 FREE CONNECTIONS AND MONTHLY SERVICE TO PUBLIC BUILDINGS AND SCHOOLS

(a) The Franchisee shall provide a Subscriber Network Drop and (i) the monthly Basic Service and (ii) the next level of Programming Service above the Basic Service, without charge, to all public and private primary and secondary schools, police and fire stations, public libraries, and other public buildings designated in writing by the Franchising Authority, contained in Exhibit 3, attached hereto and made a part hereof. The Franchisee, at no cost to the Town and/or the affected public building or school, shall supply one Converter per public building and school when cable-ready television sets are not in use in said building(s) and schools. Upon request, the Franchisee shall provide the Town, at cost, with cable and/or equipment in order that the Town can install its own additional Drops and/or Outlets. The Franchisee shall provide said Drops, Basic Service and next level of Programming Service and Converters within sixty (60) days of the Effective Date of this Renewal Franchise.

(b) Upon written request of the Franchising Authority, the Franchisee shall provide additional Drops and the Basic Service and the next level of programming Service to those public institutions located along its cable routes, but not listed in Exhibit 3; provided, however, that said public institutions are not farther than two hundred feet (200') from the existing Cable System plant. The Franchisee shall discuss the location of each connection with the proper officials of each of the institutions entitled to such free Drop and Basic Service and next level of programming Service, prior to the installation of said Drop.

Section 6.08 **INTERNET SERVICES FOR SCHOOLS AND LIBRARIES**

- (a) The Franchisee shall provide one (1) Connection to the Internet, which shall not be networked, and one (1) Cable Modem to each primary and secondary School building in the Town and the Milford Public Library, without charge(s) to the Town and/or the Milford School Department (the "School Department") and/or the Library, contained in **Exhibit 4**, attached hereto and made a part hereof and future public buildings not listed in Exhibit 4 which are located within two hundred feet (200') from the existing Cable System plant. Said Internet Connections shall be installed no later than sixty (60) days after Cable Modern/Internet service is made available to all Milford Subscribers.
- (b) Upon request of the Franchising Authority, the Franchisee shall provide additional connections to the Internet to such School and/or the Public Library. Such additional Connections shall be provided to the School Department and/or the Public Library upon payment to the Franchisee for its customary charge.
- (c) Upon written request of the Franchising Authority, the Franchisee shall provide one (1) Connection to the Internet, which shall not be networked, and one (1) Cable Modem to additional primary and secondary School buildings, but not listed in **Exhibit 4**; provided, however, that said public institutions are not farther than two hundred feet (200') from the existing Cable System plant

Article 7

PUBLIC, EDUCATIONAL AND GOVERNMENTAL ACCESS CHANNELS AND CAPITAL FUNDING

Section 7.01 **PEG ACCESS CHANNELS**

(a) Within thirty (30) days of the completion of the 860 MHz Subscriber Network, the Franchisee shall make available three (3) full-time Downstream Channels and three (3) full-time Upstream Channels for PEG Access use, for the exclusive use of the Franchising Authority, its designee(s), the Town and/or PEG Access Users. Said PEG Access Channels shall be located in the Franchisee's Basic Service tier.

(b) Said PEG Access Channels shall only be received by and available to Milford Subscribers.

(c) Said channels shall be allocated for Public Access use(s). Once established, in the event that a PEG Access Channel location change is necessary, the Franchisee shall (i) notify the Franchising Authority or its designee(s) in writing of such change in advance; and (ii) assist the Franchising Authority or its designee(s) in advertising and promoting any such new channel location(s).

(d) Except as provided by applicable law, there shall be no charges to the Franchising Authority, its designees and/or the Town and/or Subscribers for use of said PEG Access Channels.

Section 7.02 **PEG ACCESS CAPITAL FUNDING**

(a) Within ninety (90) days of the Execution Date of this Renewal Franchise, the Franchisee shall make a one-time payment of Seventy-Four Thousand Four Hundred Dollars (\$74,400.00) to the Franchising Authority for PEG Access equipment and facilities uses.

(b) In no case shall said annual PEG Access capital funding provided for in paragraph (a) above be included in, and/or be apart of, any franchise fee payment(s), required by Section 8.1 infra, or any other fees or payments required by applicable law. Said annual PEG Access capital funding shall be in addition to any such franchise fee or other payments-

(c) In the event that the funding payment required herein are not tendered on or before the dates fixed herein, interest due on such payment(s) shall accrue from the date due at the rate of three percent (3%) above the Prime Rate.

Section 7.03 **EQUIPMENT OWNERSHIP AND MAINTENANCE**

The Town shall own and maintain (i) all PEG Access equipment in its possession, as of the Execution Date of this Renewal Franchise and (ii) all PEG Access equipment purchased with funding pursuant to Section 7.2 above.

Section 7.04 PEG ACCESS CHANNEL(S) MAINTENANCE

The Franchisee shall monitor the PEG Access Channels for technical quality and shall ensure that they are maintained at standards commensurate with those which apply to the Cable System's commercial channels; provided, however, that the Franchisee is not responsible for the technical quality of PEG Access Programming. Upon written request, the Franchisee shall make available a copy of its most recent annual performance tests.

Section 7.05 PEG ACCESS PAYMENTS

The payment required hereunder in Section 7.2(a) shall be made by the Franchisee directly to the Franchising Authority for the benefit of PEG Access.

Section 7.06 PEG ACCESS CABLECASTING

(a) In order that the Franchising Authority and/or its designee(s) can cablecast its programming over the PEG Access Channels required in Section 7.1 above, all PEG Access Programming shall be modulated, then transmitted from any location in the Town with origination capability to the Headend, on one of the three (3) Upstream Channels made available, without charge, to the Town for such purposes. At the Headend, said PEG Access Programming shall be switched to, and retransmitted, on one of the three (3) Downstream PEG Access Channels, as designated by the Franchising Authority and/or its designee(s). It shall be the Franchisee's sole responsibility and cost to ensure that said PEG Access Programming is properly switched, either manually or electronically, to one of the three (3) PEG Access Downstream Channels, in an efficient and timely manner. The Franchisee shall not charge the Franchising Authority, its designees, the Town and/or PEG Access Users for such switching.

(b) The Franchisee and the Franchising Authority shall negotiate in good faith any difficulties that arise regarding the cablecasting of PEG Access programming.

(c) Origination sites, to enable the Franchising Authority and/or its designees to transmit live PEG Access programming, shall be installed and maintained by the Franchisee, without charge to the Franchising Authority, at the sites listed in Exhibit 5 attached hereto and made a part hereof.

Section 7.07 NO EDITORIAL CONTROL

In accordance with applicable law, the Franchisee shall not engage in any editorial control and/or any other control of the content of the PEG Access Programming on the Cable System.

Section 7.08 PEG ACCESS PROGRAMMING COSTS

There shall be no charges to the Franchising Authority, its designee(s), the Town and/or PEG Access Users for use of the PEG Access facilities and/or services required in this Article 7. Charges and/or costs to Subscribers shall comply with Section 9.5 infra.

Article 8

FRANCHISE FEES

Section 8.01 **FRANCHISE FEE PAYMENTS**

(a) The Franchisee shall pay to the Franchising Authority, throughout the term of this Renewal Franchise, a Franchise Fee equal to five percent (5%) of the Franchisee's Gross Annual Revenues, as defined herein, derived during each year of this Renewal Franchise; provided, however, that the Franchisee shall pay to the Franchising Authority a Franchise Fee equal to three percent (3%) of the Franchisee's Gross Annual Revenues, as defined herein, until such time that the Franchising Authority notifies the Franchisee in writing that the Franchisee shall commence paying Franchise Fees to the Franchising Authority in the amount of five percent (5%) of Gross Annual Revenues. The Franchisee shall implement such five percent (5%) Franchise Fee within ninety (90) days of receipt of such notification from the Franchising Authority. The Franchisee shall not be liable for a total financial commitment in excess of five percent (5%) of its Gross Annual Revenues; provided, however, that said five percent (5%) cap shall not include (i) the PEG Access capital funding (Section 7.2); (ii) any interest due herein to the Franchising Authority and/or its designee(s) because of late payments; and/or (iii) any damages (Section 12.2).

(b) Said Franchise Fee payments shall be made to the Franchising Authority on a quarterly basis: (i) on February 15th for the previous three (3) month period from October 1 st through December 31 st; (ii) on May 15th for the previous three (3) month period from January 1 st through March 30th; (iii) on August 15th for the previous three (3) month period from April 1st through June 30th; and (iv) on November 15th for the three (3) month period from July 1st through September 30th.

(c) The Franchisee shall file with each such quarterly payment a statement, prepared by a financial representative of the Franchisee, documenting, in detail, the total of all Gross Annual Revenues of the Franchisee during the preceding three (3) month period. Along with such statement, the Franchisee shall also complete and submit the Gross Annual Revenues Reporting Form, attached hereto as **Exhibit 6**, or such other form as mutually agreed to by the parties in writing.

(d) In the event that the payments required herein are not tendered on or before the dates fixed herein, interest due on such payments shall accrue from the date due at the rate of three percent (3%) above the Prime Rate.

Section 8.02 **OTHER PAYMENT OBLIGATIONS AND EXCLUSIONS**

(a) The Franchise Fee payments shall be in addition to and shall not constitute an offset or credit against any and all taxes or other fees or charges which the Franchisee or any Affiliated Person shall be required to pay to the Town, or to any State or federal agency or authority, as required herein or by law, except for "franchise fees", as defined by federal law. The payment of said taxes, fees or charges shall not constitute a credit or offset against the Franchise Fee

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payments all of which shall be separate and distinct obligations of the Franchisee and each Affiliated Person. The Franchisee herein agrees that no such taxes, fees or charges shall be used as offsets or credits against the Franchise Fee payments in accordance with applicable federal law.

(b) Nothing in the Cable Act shall be construed to limit any authority of the Franchising Authority to impose a tax, fee or other assessment of any kind on any person (other than the Franchisee) with respect to Cable Service or other communications service provided by such person over the Cable System for which charges are assessed to Subscribers but not received by the Franchisee. For any twelve (12) month period, the fees paid by such person with respect to any such Cable Service or other communications service shall not exceed five percent (5%) of such person's gross revenues derived in such period from the provision of such service over the Cable System.

(c) The Licensee and the Franchising Authority hereby agree that the meaning of the term "franchise fee" does not include the items in Section 622(g)(2)(A) through (E) of the Cable Act.

Section 8.03 LATE PAYMENT

In the event that the fees herein required are not tendered on or before the dates fixed in Section 8.1 above, interest due on such fee shall accrue from the date due at the rate of two percent (2%) above the Prime Rate. Any payments to the Town pursuant to this Section 8.3 shall not be deemed to be part of the Franchise Fees to be paid to the Town pursuant to Section 8.1 hereof and shall be within the exclusion to the tenn "franchise fee" for requirements incidental to enforcing the franchise pursuant to Section 622(g)(2)(D) of the Cable Act. .

Section 8.04 RECOMPUTATION

Tender or acceptance of any payment shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the Town may have for additional sums including interest payable under this Section 8.4. All amounts paid shall be subject to audit and recomputation by the Town, which shall be based on the Franchisee's fiscal year and shall occur in no event later than six (6) months after the Franchise Fees are tendered with respect to any such fiscal year. If, after audit and recomputation, an additional fee is owed to the Town, such fee shall be paid within thirty (30) days after such audit and recomputation. The interest on such additional fee shall be charged from the due date at three percent (3%) above the Prime Rate during the period that such additional amount is owed.

Section 8.05 AFFILIATES USE OF SYSTEM

Use of the Cable System by Affiliates shall be in compliance with applicable State and/or federal laws, and shall not detract from Services provided to Milford.

Section 8.06 **METHOD OF PAYMENT**

All payments by the Franchisee to the Franchising Authority pursuant to this Article 8 shall be made payable to the Town.

Article 9 RATES AND CHARGES

Section 9.01 **RATE REGULATION**

The Franchising Authority reserves the right to regulate the Franchisee's rates and charges to the extent allowable under applicable federal law .

Section 9.02 **NOTIFICATION OF RATES AND CHARGES**

(a) The Franchisee shall file with the Franchising Authority schedules which shall describe all services offered by the Franchisee, all rates and charges of any kind, and all terms or conditions relating thereto. Thereafter, the Franchisee shall file with the Franchising Authority all changes in services, all rates and charges of any kind, and all terms and conditions relating thereto at least seven (7) days prior to notification to all Subscribers. The Franchisee shall notify all Subscribers of any impending rate increases no later than thirty (30) days prior to such increase and provide each Subscriber with a schedule describing existing and proposed rates for each service offered; provided, however, that this Section 9.2 shall not prohibit the Franchisee from offering or discontinuing promotional discounts upon less than thirty (30) days notice. No rates or charges shall be effective except as they appear on a schedule so filed.

(b) At the time of initial solicitation of Service, the Franchisee shall also provide each Subscriber with a detailed explanation of downgrade and upgrade policies and the manner in which Subscribers may terminate Cable Service. Subscribers shall have at least thirty (30) days from receipt of notification of any rate increase to either downgrade Service or terminate Service altogether without any charge. Once a Subscriber has requested a change in Service at any time within said thirty (30) day period, the Franchisee shall commence billing said Subscriber at the new rate from the date of the request for a change in Service, regardless of whether the Franchisee actually changes the level of Service within that time period.

Section 9.03 **PUBLICATION AND NON-DISCRIMINATION**

All rates for subscriber Services shall be published and non-discriminatory. A written schedule of all rates shall be available upon request during business hours at the Franchisee's business office. Nothing in this Renewal Franchise shall be construed to prohibit the reduction or waiver of charges in conjunction with promotional campaigns for the purpose of attracting or maintaining subscribers.

Section 9.04 **CREDIT FOR SERVICE INTERRUPTION**

In the event that the Franchisee's Service to any Subscriber is interrupted for twenty-four (24) or more consecutive hours, provided that said interruption is not caused by the Subscriber, the Franchisee shall grant such Subscriber a pro rata credit or rebate.

Section 9.05 **PASS-THROUGH AND ITEMIZATION OF COSTS**

Pursuant to applicable law, the Franchisee has the right to pass-through and/or itemize certain increased costs related to this Renewal Franchise, in compliance with such laws. Included in such costs are the PEG Access Equipment Funding costs pursuant to Section 7.2 supra. The Franchisee has provided an estimate of such costs, as well as an explanation of how such costs could be periodically recalculated based upon different Subscriber counts, different amortization periods, etc., in **Exhibit 8**, made apart hereof.

Article 10 INSURANCE AND BONDS

Section 10.01 **INSURANCE**

No later than thirty (30) days after the Effective Date and at all other times during the term of the Renewal Franchise, including the time for removal of facilities provided for herein, the Franchisee shall obtain, pay all premiums for, and file with the Franchising Authority, on an annual basis, copies of the certificates of insurance for the following policies:

(1) A general comprehensive liability policy naming the Franchising Authority, the Town, its officers, boards, committees, commissions, agents and employees as additional insureds on all claims on account of injury to or death of a Person or Persons occasioned by the construction, installation, maintenance or operation of the Cable System or alleged to have been so occasioned, with a minimum liability of Two Million Dollars (\$2,000,000.00) for injury or death to anyone Person in anyone occurrence.

(2) A property damage insurance policy naming the Franchising Authority, the Town, its officers, boards, committees, commissions, agents and employees as additional insureds and save them harmless from any and all claims of property damage, real or personal, occasioned or alleged to have been so occasioned by the construction, installation, maintenance or operation of the Cable Television System, with a minimum liability of Two Million Dollars (\$2,000,000.00) for damage to the property of anyone Person in anyone occurrence.

(3) Automobile liability insurance for owned automobiles, non-owned automobiles and/or rented automobiles in the amount of:

(a) One Million Dollars (\$1,000,000.00) for bodily injury and consequent death per occurrence;

(b) One Million Dollars (\$1,000,000.00) for bodily injury and consequent death to any one person; and

(c) Five Hundred Thousand Dollars (\$500,000.00) for property damage per occurrence. (4) Worker's Compensation and Employer's Liability in the minimum amount of: (a) Statutory limit for Worker's Compensation; and

(b) One Hundred Thousand Dollars (\$100,000.00) for Employer's Liability. (5) The following conditions shall apply to the insurance policies required herein:

(a) Such insurance shall commence no later than the Execution Date of this Renewal Franchise.

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- (b) Such insurance shall be primary with respect to any insurance maintained by the Town and shall not call on the Town's insurance for contributions.
- (c) Such insurance shall be obtained from brokers or carriers authorized to transact insurance business in New Hampshire.
- (d) Evidence of insurance shall be submitted to the Franchising Authority and/or its designee(s) prior to commencement of any construction or operations under this Renewal Franchise.
- (e) The Franchisee's failure to obtain to procure or maintain the required insurance shall constitute a material breach of this Renewal Franchise under which the Town may immediately suspend operations under this Renewal Franchise.

Section 10.02 PERFORMANCE BOND

- (a) No later than ninety (90) days from the Execution Date of this Renewal Franchise, the Franchisee shall obtain and maintain at its sole cost and expense throughout the term of the Renewal Franchise a faithful performance bond running to the Town, with good and sufficient surety licensed to do business in the State of New Hampshire in the sum of Fifty Thousand Dollars (\$50,000.00). Said bond shall be conditioned upon the faithful performance and discharge of all of the obligations imposed by the Renewal Franchise.
- (b) The performance bond shall be effective throughout the term of the Renewal Franchise, including the time for removal of all of the facilities provided for herein; and shall be conditioned that in the event that the Franchisee shall fail to comply with anyone or more provisions of the Renewal Franchise, or to comply with any order, permit or direction of any department, agency, commission, board, division or office of the Town having jurisdiction over its acts, or to pay any claims, liens or taxes due the Town which arise by reason of the construction, maintenance, operation or removal of the Cable Television System, the Town shall recover from the surety of such bond all damages suffered by the Town as a result thereof, pursuant to the provisions of Section 12.2 infra.
- (c) The performance bond shall be a continuing obligation of this Renewal Franchise. In the event that the Town recovers from the surety, the Franchisee shall take immediate steps to reinstate the performance bond to the appropriate amount required herein. Neither this section, any bond accepted pursuant thereto, or any damages recovered thereunder shall limit the liability of the Franchisee under the Renewal Franchise.

Section 10.03 REPORTING

The Franchisee shall submit to the Franchising Authority, or its designee(s), on an annual basis, copies of all current certificates regarding (i) all insurance policies as required herein, and (ii) the performance bond as required herein.

Section 10.04 INDEMNIFICATION

The Franchisee shall indemnify and hold harmless the Franchising Authority, the Town, its officials, boards, committees, commissions, agents and/or employees against all claims for damage due to the actions of the Franchisee, its employees, officers or agents arising out of the construction, installation, maintenance, operation and/or removal of the Cable Television System under this Renewal Franchise, including without limitation, damage to Persons or property, both real and personal, caused by the construction, installation, operation, maintenance and/or removal of any structure, equipment, wire or cable installed. Indemnified expenses shall include, without limitation, all out-of-pocket expenses, such as attorneys' fees, and shall also include the reasonable value. of any services rendered by the Town Attorney.

Section 10.05 NOTICE OF CANCELLATION OR REDUCTION OF COVERAGE

The insurance policies and performance bond required herein shall each contain an endorsement stating that such insurance policies and performance bond are intended to cover the liability assumed by the Franchisee under the terms of this Renewal Franchise and shall contain the following endorsement:

It is hereby understood and agreed that this insurance policy/performance bond shall not be canceled, materially changed or the amount of coverage thereof reduced until ninety (90) days after receipt by the Franchising Authority by certified mail of one (I) copy of a written notice of such intent to cancel, materially change or reduce the coverage required herein.

Article 11 ADMINISTRATION AND REGULATION

Section 11.01 **REGULATORY AUTHORITY**

The Franchising Authority and/or its designee(s) shall be responsible for the monitoring and oversight of the Cable Television System. The Franchising Authority shall enforce the Franchisee's compliance with the terms and conditions of this Renewal Franchise. The Franchising Authority shall notify the Franchisee in writing of any instance of non-compliance pursuant to Section 12.1 infra.

Section 11.02 **PERFORMANCE EVALUATION HEARINGS**

(a) The Franchising Authority may hold a performance evaluation hearing every year of this Renewal Franchise. The Franchisee shall be provided at least twenty-one (21) days notice of any such hearing. All such evaluation hearings shall be open to the public. The purpose of said evaluation hearing shall be to, among other things, (i) review the Franchisee's compliance with the terms and conditions of this Renewal Franchise, with emphasis on the Subscriber Network rebuild and operation, customer service and Complaint response, and PEG Access Channels, facilities and support; (ii) review current technological developments in the cable television field; and (iii) hear comments, suggestions and/or Complaints from the public.

(b) The Franchising Authority shall have the right to question the Franchisee on any aspect concerning the construction, upgrade, operation and/or maintenance of the Cable Television System. During review and evaluation by the Franchising Authority, the Franchisee shall cooperate fully with the Franchising Authority and/or its designee(s), and produce such documents or other materials as are reasonably requested from the Town, pursuant to Section 14.1 (b) infra. Any Subscriber or other Person may submit comments during such review hearing, either orally or in writing, and such comments shall be duly considered by the Franchising Authority.

(c) Within thirty (30) days after the conclusion of such review hearing(s), the Franchising Authority shall issue a written report with respect to the adequacy of Cable System performance and quality of Service. If inadequacies are found which result in a violation of any of the provisions of this Renewal Franchise, the Franchising Authority shall notify the Franchisee in writing of any instance of non-compliance pursuant to Section 12.1 infra. The Franchisee shall subsequently respond and propose a plan for implementing any changes or improvements necessary, pursuant to Section 12.1 infra.

(d) The Franchisee shall notify its Subscribers of all such performance evaluation hearings by announcements on at least one (1) channel of its Cable System between the hours of seven (7) p.m. and nine (9) p.m., for five (5) consecutive days preceding each such hearing.

Section 11.03 **NONDISCRIMINATION**

The Franchisee shall not discriminate against any Person in its solicitation, Service or access activities, if applicable, on the basis of race, color, creed, religion, ancestry, national origin, geographical location within the Town, sex, sexual preference, disability, age, marital status, or status with regard to public assistance. The Franchisee shall be subject to all other requirements of federal and State laws or regulations, relating to nondiscrimination through the term of the Renewal Franchise.

Section 11.04 **EMERGENCY REMOVAL OF PLANT**

If, in case of fire or disaster in the Town at any time, it shall become necessary in the reasonable judgment of the Franchising Authority or any designee, to cut or move any of the wires, cables, amplifiers, appliances or appurtenances of the Cable Television System, the Town shall have the right to do so at the sole cost and expense of the Franchisee.

Section 11.05 **REMOVAL AND RELOCATION**

The Franchising Authority shall have the authority at any time to order and require the Franchisee to remove or relocate any pole, wire, cable or other structure owned by the Franchisee that is dangerous to life or property. In the event that the Franchisee, after notice, fails or refuses to act within a reasonable time, the Franchising Authority shall have the authority to remove or relocate the same, which cost the Franchisee shall reimburse to the Town. .

Section 11.06 **INSPECTION**

Upon written notice to the Franchisee, except in the case of an emergency, the Franchising Authority and/or its designee(s) shall have the right to inspect the plant, equipment or other property of the Franchisee in the Town during normal business hours. The Franchisee may be present, and shall fully cooperate with the Franchising Authority, during such inspection(s).

Section 11.07 **JURISDICTION**

Jurisdiction and venue over any dispute, action or suit shall be in any court of appropriate venue and subject matter jurisdiction located in the State of New Hampshire and" the parties by this instrument subject themselves to the personal jurisdiction of said court for the entry of any such judgment and for the resolution of any dispute, action, or suit.

Article 12

DETERMINATION OF BREACH LIQUIDATED DAMAGES-FRANCHISE REVOCATION

Section 12.01 **DETERMINATION OF BREACH**

(a) In the event that the Franchising Authority has reason to believe that the Franchisee has defaulted in the performance of any or several provisions of this Renewal Franchise, except as excused by Force Majeure, the Franchising Authority shall notify the Franchisee in writing, by certified mail, of the provision or provisions which the Franchising Authority believes may have been in default and the details relating thereto. The Franchisee shall have thirty (30) days from the receipt of such notice to:

(b) respond to the Franchising Authority in writing, contesting the Franchising Authority's assertion of default and providing such information or documentation as may be necessary to support the Franchisee's position; or

(c) cure any such default (and provide written evidence of the same), or, in the event that by nature of the default, such default cannot be cured within such thirty (30) day period, to take reasonable steps to cure said default and diligently continue such efforts until said default is cured. The Franchisee shall report to the Franchising Authority, in writing, by certified mail, at fourteen (14) day intervals as to the Franchisee's efforts, indicating the steps taken by the Franchisee to cure any such default and reporting the Franchisee's progress until any such default is cured.

(d) In the event that (i) the Franchisee fails to respond to such notice of default; (ii) the Franchisee fails to cure the default or to take reasonable steps to cure the default within the required thirty (30) day period; and/or (iii) the Franchising Authority is not satisfied with the Franchisee's response(s) or the Franchisee's efforts to cure, the Franchising Authority shall promptly schedule a public hearing no sooner than fourteen (14) days after written notice, by certified mail, to the Franchisee. The Franchisee shall be provided reasonable opportunity to offer evidence and be heard at such public hearing. Within thirty (30) days after said public hearing, the Franchising Authority shall determine whether or not the Franchisee is in default of any provision of this Renewal Franchise.

(e) In the event that the Franchising Authority, after such hearings, determines that the Franchisee is in default, the Franchising Authority may determine to pursue any of the following remedies: .

(i) Assess liquidated damages in accordance with the schedule set forth in Section 12.2 below;

(ii) Seek specific performance of any provision of the Renewal Franchise which reasonably lends itself to such remedy as an alternative to damages;

(iii) Commence an action at law for monetary damages;

- (iv) Foreclose on all or any appropriate part of the security provided pursuant to Section 10.2 herein;
- (v) Declare the Renewal Franchise to be revoked subject to Section 12.3 below and applicable law;
- (vi) Invoke any other remedy available to the Town.

Section 12.02 LIQUIDATED DAMAGES

(a) For the violation of any of the following provisions of this Renewal Franchise, liquidated damages shall be paid by the Franchisee to the Franchising Authority, subject to Section 12.1 above. Any such liquidated damages shall be assessed as of the date that the Franchisee receives written notice, by certified mail, pursuant to Section 12.1(a) above, of the provision(s) which the Franchising Authority believes to be in default, unless cured pursuant to Section 12.1 (c) above.

(1) For failure to construct, upgrade, fully activate, operate, maintain, and make available to all residents in the Town the Cable Television System, in accordance with Section 4.1 herein, Four Hundred Dollars (\$400.00) per day, for each day that such construction, upgrade and activation has not occurred.

(2) For failure to obtain the advance, written approval of the Franchising Authority for any transfer of the Renewal Franchise in accordance with Article 3 herein; One Thousand Dollars (\$1,000.00) per day, for each day that such non-compliance continues.

(3) For failure to comply with the PEG Access provisions in accordance with the provisions of Article 7 herein, One Hundred Fifty Dollars (\$150.00) for each day that any such non- compliance continues.

(4) For failure to comply with the FCC's Customer Service Obligations in accordance with Section 13.3 and Exhibit 8 infra, One Hundred Fifty Dollars (\$150.00) for each day that any such non-compliance continues.

(5) For failure to submit reports, pursuant to Article 14 herein, fifty dollars (\$50.00) per day that said reports are not submitted as required.

(6) For failure to file schedules and notice of any changes thereto describing the rates and charges and terms and conditions of services offered by the Franchisee, at least thirty (30) days prior to the effective date of any such schedule change or other change thereto, pursuant to Section 9.2 herein, fifty dollars (\$50.00) per day that such non-compliance continues.

(b) Such liquidated damages shall be in addition to, and not a limitation upon, any other provisions of this Renewal Franchise and applicable law, including penalties or revocation, or any other statutorily or judicially imposed penalties or remedies.

Section 12.03 **REVOCATION OF THE RENEWAL FRANCHISE**

In the event that the Franchisee fails to comply with any material provision of this Renewal Franchise, the Franchising Authority may revoke the Renewal Franchise granted herein, subject to the procedures of Section 12.1 above and applicable law. -

Section 12.04 **TERMINATION**

The termination of this Renewal Franchise and the Franchisee's rights herein shall become effective upon the earliest to occur of: (i) the revocation of the Renewal Franchise by action of the Franchising Authority, pursuant to Section 12.1 and 12.3 above; (ii) the abandonment of the Cable System, in whole or material part, by the Franchisee without the express, prior approval of the Franchising Authority; or (iii) the expiration of the term of this Renewal Franchise, unless the Franchisee is otherwise permitted to continue operating the Cable System pursuant to applicable law(s).

Section 12.05 **NOTICE TO OTHER PARTY OF LEGAL ACTION**

In the event that either party intends to take legal action against the other party for any reason, such moving party shall first (i) give the other party at least forty-five (45) days notice that an action will be filed, (ii) meet with the other party before it files any such action, and (iii) negotiate the issue, which is the subject of any proposed legal action, in good faith with the other party.

Section 12.06 **NON-EXCLUSIVITY OF REMEDY**

No decision by the Franchising Authority or the Town to invoke any remedy under the Renewal Franchise or under any statute, law or ordinance shall preclude the availability of any other such remedy.

Section 12.07 **NO WAIVER-CUMULATIVE REMEDIES**

(a) Subject to Section 626(d) of the Cable Act, no failure on the part of the Franchising Authority to exercise, and no delay in exercising, any right in this Renewal Franchise shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any other right, all subject to the conditions and limitations contained in this Renewal Franchise.

(b) The rights and remedies provided herein are cumulative and not exclusive of any remedies provided by law, and nothing contained in this Renewal Franchise shall impair any of the rights of the Franchising Authority under applicable law, subject in each case to the terms and conditions in this Renewal Franchise.

(c) A waiver of any right or remedy by the Franchising Authority at anyone time shall not affect the exercise of such right or remedy or any other right or remedy by the Franchising

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Authority at any other time. In order for any waiver of the Franchising Authority to be effective, it shall be in writing. The failure of the Franchising Authority to take any action in the event of any breach by the Franchisee shall not be deemed or construed to constitute a waiver of or otherwise affect the right of the Franchising Authority to take any action permitted by this Renewal Franchise at any other time in the event that such breach has not been cured, or with respect to any other breach by the Franchisee.

(d) Acceptance of the terms and conditions of this Renewal Franchise will not constitute, or be deemed to constitute, a waiver, either expressly or implied, by the Franchisee of any constitutional or legal right which it may have or may be determined to have, either by subsequent legislation or court decisions.

Article 13

SUBSCRIBER RIGHTS AND CONSUMER PROTECTION

Section 13.01 **TELEPHONE ACCESS**

(a) The Franchisee shall comply with the FCC's Customer Service Obligations, at 47 C.F.R. 76.309(c)(I)(A)-(D), and attached hereto as Exhibit 7. Under Normal Operating Conditions, as defined, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under Normal Operating Conditions, measured on a quarterly basis.

(b) The Franchising Authority shall have the right to direct the Franchisee to submit to a "busy study" from the telephone company which provides service to the Franchisee, without charge to the Franchising Authority, if the bi-annual reports submitted by the Franchisee to the Franchising Authority pursuant to Section 14.5 infra, do not clearly document that the Franchisee's telephone lines are accessible to its Milford Subscribers as required herein.

(c) The Franchisee's business-customer service office shall have a publicly listed local or toll-free telephone number.

Section 13.02 **ANSWERING SERVICE**

(a) At all other times that its customer service office is not open, the Franchisee shall maintain, throughout the entire term of this Renewal Franchise, a telephone answering service to handle Subscriber inquiries, Complaints and emergencies, and provide proper referral regarding billing and other subscriber information. All such after-hours calls shall be logged by the Franchisee. Said answering service shall (i) forward all inquiries and/or Complaints to the Franchisee the morning of the next business day and (ii) inform each Subscriber calling that his or her Complaint will be referred to the Franchisee's customer service department for response. If requested or reasonably warranted by the reported nature of the Subscriber's problem or inquiry, the Franchisee shall promptly contact the Subscriber to follow-up on their individual problem or inquiry. The Franchisee shall promptly contact each individual Subscriber to follow-up on their individual problem and/or inquiry.

(b) All after-hours telephone calls of an emergency nature shall be acted upon promptly, and one of the Franchisee's on-call personnel shall be contacted.

Section 13.03 **FCC CUSTOMER SERVICE OBLIGATIONS**

The Franchisee shall comply with the FCC's Customer Service Obligations, codified at 47 C.F.R. Section 76.309, which standards are attached hereto as **Exhibit 7**.

Section 13.04 INITIAL INSTALLATION PROCEDURES IN WIRED AREAS

(a) The Franchisee shall provide Cable Service(s) in all areas of the Town to those residents whose homes are passed by the Cable System and who have requested Service and have paid a deposit for such service, if required, within fourteen (14) days of said request and deposit. In arranging appointments for said cable installation work, the Franchisee shall make its best efforts to specify to the resident, in advance, whether said installation will occur in the morning or afternoon hours. The Franchisee shall make reasonable efforts to install at times convenient to residents, including times other than 9:00 am to 5:00 pm weekdays. Failure to install within said fourteen (14) day period, without just cause (Force Majeure) or resident fault, shall require the Franchisee to automatically offer a priority cable installation to the affected resident at a time mutually agreeable to the Franchisee and the affected resident, but in no case later than three (3) working days following the initial installation date, unless mutually agreed to otherwise by the parties.

(b) There shall be no additional charge in addition to standard installation charges to residents for installation, provided the residence is within one hundred fifty feet (150') from existing or proposed feeder line. Installations requiring materials or procedures which exceed these specified lengths or which involves unforeseen or extraordinary conditions will be subject to additional charges, as determined by the Franchisee; provided, however, that such charges shall be fair, reasonable and nondiscriminatory.

Section 13.05 SERVICE CALLS

(a) In arranging appointments for service calls, the Franchisee shall comply with the FCC's Customer Service Regulations, at 47 C.F.R. 76.309(c)(2), attached hereto as Exhibit 9.

(b) The Franchisee shall remove all Subscriber Drops, within seven (7) calendar days of receiving a request from a Subscriber to do so.

Section 13.06 SUBSCRIBER SOLICITATION PROCEDURES

Upon request, the Franchisee shall inform all prospective Subscribers of the availability of the materials required by 47 C.F.R. 76.309(c)(3)(A). These materials shall be provided to all Subscribers (i) at the time of installation of Service; (ii) at least annually; and (iii) at any other time, upon request. Such information shall also include:

(a) Notice of the availability of detailed information on parental lockout devices.

(b) Written information concerning the Franchisee's privacy policies, pursuant to State and federal law.

Section 13.07 NOTICE TO SUBSCRIBERS REGARDING QUALITY OF SERVICE

As set forth in R.S.A. 53-C: 3-d, annually, the Franchisee shall mail to each of its Subscribers a notice which:

(a) Informs Subscribers how to communicate their views to the Franchisee and to the Office of the Attorney General, Consumer Protection and Antitrust Bureau; and

(b) States the responsibility of the Office of the Attorney General, Consumer Protection and Antitrust Bureau to receive and act on consumer complaints.

Such notice shall be in non-technical language, understandable by the general public, and in a convenient format. On or before January 30 of each year, the Franchisee shall certify to the Franchising Authority and to the Office of the Attorney General, Consumer Protection and Antitrust Bureau that it has distributed the notice as provided in this section during the previous calendar year as required by this section.

Section 13.08 CONSUMER SALES STANDARDS

The Franchisee shall, in soliciting prospective customers for Cable Service(s), provide full and complete information concerning its available Cable Services and shall provide the following:

(a) A description of each level of Service in detail;

(b) A description of each level of Service, including the number of channels, Programming and exact price;

(c) A description of all premium services and prices thereof;

(d) A description of the lowest cost Service in an objective manner; (e) A description of billing policies and procedures; and

(f) A summary for the prospective customer what the total bill could be expected to be for requested Service.

Section 13.09 BILLING PRACTICES INFORMATION AND PROCEDURES

(a) Billing procedures shall be as follows:

{i} The Franchisee shall bill all Subscribers to its Cable Television System in a uniform, non-discriminatory manner, regardless of a Subscriber's level of Service(s). The bill shall have an explicit due date.

{ii} The Franchisee shall provide all Subscribers with itemized bills that contain the information required by federal law and/or regulation.

{iii} Late charges, if applied, shall in no case be imposed earlier than thirty (30) days after the due date, and shall not be imposed should a bona fide dispute arise concerning a Subscriber's bill.

-Town of Milford Cable Television Renewal Franchise-

{iv} Subscribers shall have thirty (30) days from the due date of a bill in which to register a complaint or dispute concerning said bill.

{v} In the event that a bona fide billing dispute arises, the Franchisee shall respond to each Complaint within fifteen (15) days of receiving a written notification of said dispute from the Subscriber and shall make its best efforts to resolve each dispute within forty-five (45) days of receiving a written notification of said dispute from said Subscriber. If said dispute cannot be settled within the forty-five (45) day period and/or the results of the Franchisee's investigation into said dispute are unacceptable to the Subscriber, the Franchisee shall notify, and deliver to, the affected Subscriber its proposed resolution of the dispute within one (1) day of the expiration of said forty-five (45) day period.

{vi} The affected Subscriber shall be responsible for paying only that portion of the bill that is not in dispute. In no event shall the Franchisee, prior to the resolution of a billing dispute, disconnect, assess a late payment charge or require payment of a late payment charge from the Subscriber for failure to pay bona fide disputed bills, or portions thereof, provided the Subscriber notifies the Franchisee of said dispute within thirty (30) days following the beginning of the billing period for which service was rendered under the disputed bill.

Section 13.10 DISCONNECTION AND TERMINATION OF CABLE SERVICES

In no event shall the Franchisee disconnect a Subscriber's Cable Service for nonpayment unless (1) the Subscriber is delinquent, (2) the Franchisee has given said Subscriber written notice of such past due amount in a clear and conspicuous manner and (3) said Subscriber has been given a second notice of delinquency. In no event shall such disconnection or termination for nonpayment occur in less than forty (40) days after a bill is due.

Section 13.11 RESPONSE TO SERVICE CALLS AND SERVICE COMPLAINTS

(a) The Franchisee shall respond to all requests for Service that are received under Normal Operating Conditions, as defined in 47 C.F.R. §76.309 (See Exhibit 7 attached hereto) on a first-come, first-served basis Monday through Friday. Such requests shall be handled immediately, if possible, but in all instances, within twenty-four (24) hours of the original call. Verification of the problem and, where possible, resolution, shall occur within forty-eight hours. In all cases, the Franchisee's resolution of the problem shall occur within four (4) days of the Subscriber's request.

(b) Calls for repair service after Normal Business Hours and on Saturdays, Sundays and holidays shall be scheduled by the Franchisee's personnel according to normal repair service policies.

(c) The Franchisee shall ensure that there are stand-by personnel on-call at all times after Normal Business Hours. The answering service shall be required to notify the stand-by personnel of an unusual number of calls or a number of similar Complaint calls or a number of calls coming from the same area.

(d) System outages shall be responded to immediately, twenty-four (24) hours a day by the Franchisee's personnel. For purposes of this section, an outage shall be considered to occur when five (5) or more calls are received from anyone neighborhood, concerning such an outage.

Section 13.12 SUBSCRIBER'S RIGHTS UPON FAILURE OF SERVICE

In the event that service to any Subscriber is interrupted for twenty-four (24) or more consecutive hours, the Franchisee shall provide a pro-rata rebate to Subscribers as required by Section 9.4 supra of this Renewal Franchise.

Section 13.13 COMPLAINT RESOLUTION PROCEDURES

(a) The Franchisee shall establish a procedure for resolution of billing and privacy disputes and Complaints by Subscribers. The Franchisee shall provide, on an annual basis, a written description of said procedures to all Subscribers, as well as the Franchising Authority.

(b) Upon request, the Franchisee shall provide written information to the Franchising Authority regarding Subscriber Complaints in Milford.

(c) If the Franchising Authority or its designee(s) determines it to be in the public interest, the Franchising Authority or its designee(s) may investigate any multiple Complaints or disputes brought by Subscribers arising from the operations of the Franchisee, provided that the Subscribers make a good faith effort to comply with the Franchisee's procedures specified in paragraph (a) above for the resolution of Complaints.

(d) In the event that the Franchising Authority or its designee(s) finds a pattern of multiple unresolved subscriber Complaints, the Franchising Authority and the Franchisee may discuss appropriate amendments to this Renewal Franchise.

Section 13.14 CHANGE OF SERVICE

Upon notification by a Subscriber to disconnect or downgrade Service, the Franchisee shall cease and/or adjust said Subscriber's monthly Service charges immediately or as of the Subscriber's specified disconnect or downgrade date. In no case shall said Subscriber be charged for Service(s) requested to be changed after the Franchisee is notified of said change(s). In the event that Subscribers request disconnection or downgrade of Service(s), the Franchisee's charges, if any, shall comply with applicable federal law or regulation.

Section 13.15 LOSS OF SERVICE-SIGNAL QUALITY

The Franchisee shall comply with all applicable FCC statutes, regulations and standards relating to quality of the Signals transmitted over the Cable Television System. Upon a showing of a number of complaints from Subscribers that indicates a general or area-wide Signal quality problem concerning consistently poor or substandard Signal quality in the System, the Franchising Authority shall, after giving the Franchisee fourteen (14) days notice and an opportunity to cure said deficiency, order the Franchisee to correct said Signal quality deficiencies, within fourteen (14) days of said order; provided, however, that the Franchisee may request additional time from the Franchising Authority in which to correct said deficiency, which permission shall not be unreasonably denied. The Franchising Authority and the Franchisee shall enter into good faith discussions concerning possible remedies for consistent Signal degradation.

Section 13.16 **EMPLOYEE AND AGENT IDENTIFICATION CARDS**

-All of the Franchisee's employees and agents entering upon private property, in connection with the construction, installation, maintenance and operation of the Cable System, including repair and sales personnel, shall be required to carry an employee identification card issued by the Franchisee.

Section 13.17 **PROTECTION OF SUBSCRIBER PRIVACY**

(a) The Franchisee shall respect the rights of privacy of every Subscriber and/or User of the Cable Television System and, pursuant to applicable federal law, shall not violate such rights through the use of any device or Signal associated with the Cable Television System, and as hereafter provided.

(b) The Franchisee shall comply with all privacy provisions contained in this Article 13 and all other applicable federal and State laws including, but not limited to, the provisions of Section 631 of the Cable Act.

(c) The Franchisee shall be responsible for carrying out and enforcing the Cable System's privacy policy, and shall at all times maintain adequate physical, technical and administrative security safeguards to ensure that personal subscriber information is handled and protected strictly in accordance with this policy.

(d) The Franchisee shall notify all Leased Access parties who offer Cable Services in conjunction with the Franchisee, or independently over the Cable Television System, of the subscriber privacy requirements contained in this Renewal Franchise. .

Section 13.18 **PRIVACY WRITTEN NOTICE**

At the time of entering into an agreement to provide Cable Service to a Subscriber and at least once a year thereafter, the Franchisee shall provide all Subscribers with the written notice required in Section 631(a)(1) of the Cable Act.

Section 13.19 **MONITORING**

Except as otherwise permitted by applicable law, neither the Franchisee or its agents nor the Town or its agents shall tap, monitor, arrange for the tapping or monitoring, or permit any other person to tap or monitor, any cable, line, Signal, input device, or subscriber Outlet or receiver for any purpose, without the prior written authorization of the affected Subscriber or User; provided, however, that the Franchisee may conduct system-wide or individually addressed "sweeps" solely for the purpose of verifying System integrity, checking for illegal taps, controlling return-path transmission, or billing for Pay Services. The Franchisee shall report to the affected parties any instances of monitoring or tapping of the Cable Television System, or any part thereof, of which it has knowledge, whether or not such activity has been authorized by the Franchisee, other than as permitted herein. The Franchisee shall not record or retain any information transmitted between a Subscriber or User and any third party, except as required for lawful business purposes. The

Franchisee shall destroy all subscriber information of a personal nature after a reasonable period of time except as authorized not to do so by the affected Subscriber.

Section 13.20 DISTRIBUTION OF SUBSCRIBER INFORMATION

The Franchisee and its agents or employees shall comply with Section 631 of the Cable Act regarding the distribution of Subscriber information.

Section 13.21 INFORMATION WITH RESPECT TO VIEWING HABITS AND SUBSCRIPTION DECISIONS

Except as permitted by Section 631 of the Cable Act and other applicable law, the Franchisee shall not make available to any third party, including the Town, information concerning the viewing habits or subscription package decisions of any individual Subscriber, without a Subscriber's prior authorization. If a court authorizes or orders such disclosure, the Franchisee shall notify the Subscriber as soon as practicable, unless such notification is otherwise prohibited by applicable law or the court.

Section 13.22 SUBSCRIBER'S RIGHT TO INSPECT AND VERIFY INFORMATION

(a) Upon request, the Franchisee shall make available for inspection by a Subscriber at a reasonable time and place all personal subscriber information that the Franchisee maintains regarding said Subscriber.

(b) A Subscriber may obtain from the Franchisee a copy of any or all of the personal subscriber information regarding him or her maintained by the Franchisee. The Franchisee may require a reasonable fee for making said copy.

(c) A Subscriber may challenge the accuracy, completeness, retention, use or dissemination of any item of personal subscriber information. Such challenges and related inquiries about the handling of subscriber information shall be directed to the Franchisee's General Manager.

Article 14

REPORTS, AUDITS AND PERFORMANCE TESTS

Section 14.01 **GENERAL**

(a) Upon the written request of the Franchising Authority, the Franchisee shall promptly submit to the Town any information regarding the Franchisee, its business and operations, or any Affiliated Person, with respect to the Cable System, any Service, in such form and containing such detail as may be specified by the Town pertaining to the subject matter of this Renewal Franchise which may be reasonably required to establish the Franchisee's compliance with its obligations pursuant to this Renewal Franchise.

(b) If the Franchisee believes that the documentation requested by the Franchising Authority involves proprietary information, then the Franchisee shall submit the information to counsel, who shall confer with the Town Attorney for a determination of the validity of the Franchisee's claim of a proprietary interest.

Section 14.02 **CONSTRUCTION REPORTS**

The Franchisee shall furnish the Franchising Authority, and/or its designated representatives, on a monthly basis, with written progress reports indicating in detail the progress in, and areas of, construction and/or upgrade of the Cable Television System. The first "such report shall be submitted within thirty (30) days of the commencement of such construction and/or upgrade and shall be updated every thirty (30) days thereafter.

Section 14.03 **FINANCIAL REPORTS**

The Franchisee shall furnish the Franchising Authority and/or its designee(s), no later than one hundred and twenty (120) days after the end of the Franchisee's Fiscal Year, the following financial information:

(a) Statement of Income, including:

(i) All Subscriber Revenues, including but not limited to, regular Basic Service charges, Pay Cable charges, Pay-Per-View revenues, installation revenues (including reconnection, second set, etc.), advertising revenues, Internet revenues, Leased Access revenues, home shopping services revenues and any other special service revenues.

(b) If requested, a list of officers and members of the Board of Directors of the Franchisee and its parent, if any.

Section 14.04 **CABLE SYSTEM INFORMATION**

The Franchisee shall file annually with the Franchising Authority a statistical summary of the operations of the Cable System. Said report shall include, but not be limited to, (i) the number of Basic Service Subscribers, (ii) the number of dwelling units passed, and (iii) the number of plant miles in construction/upgrade or completed.

Section 14.05 **IN-HOUSE TELEPHONE REPORTS**

Upon written request, on a semi-annual basis, the Franchisee shall make available to the Franchising Authority copies of all in-house telephone reports that track the activity and effectiveness of the Franchisee's telephone system.

Section 14.06 **SUBSCRIBER COMPLAINT LOG**

(a) The Franchisee shall keep a record or log of all written Complaints received regarding quality of Service, equipment malfunctions, billing procedures, employee relations with Subscribers and similar matters. Such records shall be maintained by the Franchisee for a period of two (2) years.

(b) Such record(s) shall contain the following information for each Complaint received: (i) Date, time and nature of the Complaint; (ii) Investigation of the Complaint; and

(iii) Manner and time of resolution of the Complaint.

(iv) If the Complaint regards equipment malfunction or the quality of reception, the Franchisee shall file a report indicating the corrective steps it has taken, with the nature of the problem stated.

(v) The Franchisee shall make available to the Franchising Authority records of such Complaints, as allowed by applicable law.

(vi) For the purposes of this Section 14.6, a Complaint shall mean any verbal or written inquiry, allegation or assertion made by a Person which requires subsequent corrective action to the System or any portion thereof, or any subsequent investigation, research and/or a Service call to be undertaken by the Franchisee, its employees or agents. .

Section 14.07 **INDIVIDUAL COMPLAINT REPORTS**

The Franchisee shall, within ten (10) business days after receiving a request from the Town, send a written report to the Franchising Authority with respect to any Complaint. Such report shall provide a full explanation of the investigation, finding(s) and corrective steps taken, as allowed by applicable law.

Section 14.08 OUTAGE LOG

The Franchisee shall maintain an outage log showing the date, approximate time, duration, type and probable cause of all Headend, Trunk and/or Distribution line service failures due to causes other than routine testing or maintenance at reasonable times. Said logs shall be provided to the Franchising Authority, or its designee, and maintained by the Franchisee for a period of not less than three (3) years.

Section 14.09 INITIAL PERFORMANCE TESTS

Initial proof of performance testing shall occur within sixty (60) days after completion of the rebuild pursuant to Section 4.1 supra. Upon written request, the Franchisee shall provide the Franchising Authority with a copy of such report.

Section 14.10 ANNUAL PERFORMANCE TESTS

Upon request, the Franchisee shall provide copies of its Milford Cable System performance tests to the Franchising Authority in accordance with FCC regulations, as set out in 47 C.F.R. Section 76.601 et seq.

Section 14.11 QUALITY OF SERVICE

(a) Upon System Completion, where there exists evidence which, in the reasonable judgment of the Franchising Authority, casts doubt upon the reliability or technical quality of Cable Service(s), the Franchising Authority shall have the right and authority to require the Franchisee to test, analyze and report on the performance of the Cable System. The Franchisee shall fully cooperate with the Franchising Authority in performing such testing and shall prepare the results and a report, if requested, within thirty (30) days after notice for the same.

(b) Said report shall include the following information:

(1) The nature of the complaint or problem which precipitated the special tests; (2) the System component tested;

(3) The equipment used and procedures employed in testing;

(4) The method, if any, in which such complaint or problem was resolved; and

(5) Any other information pertinent to said tests and analysis which may be required.

(c) At the end of said thirty day (30) period, in the event that the Cable System fails to meet the FCC's technical standards, additional tests may be required by the Franchising Authority. Such tests shall be supervised by a professional engineer at terms satisfactory to both the Franchisee and the Franchising Authority; provided, however, that the Franchisee shall receive fourteen (14) days

notice and a reasonable opportunity to cure. The Franchisee shall pay for the costs of such engineer only if the tests performed show that the quality of Service is below the FCC's Technical Standards.

Section 14.12 DUAL FILINGS

(a) Upon written request, the Franchisee shall make available to the Town and copying at the Franchisee's expense, copies of any petitions or communications with any State or federal agency or commission pertaining to any material aspect of the Cable System operation hereunder.

(b) In the event that either the Franchising Authority or the Franchisee requests from any State or federal agency or commission a waiver or advisory opinion pertaining to any material aspect of the Cable System operation hereunder, it shall immediately notify the other party in writing of said request, petition or waiver.

Section 14.13 ADDITIONAL INFORMATION

At any time during the term of this Renewal Franchise, upon the reasonable request of the Franchising Authority, the Franchisee shall not unreasonably deny any requests for further information which may be required to establish the Franchisee's compliance with its obligations pursuant to the Renewal Franchise, subject to Section 14.1 supra.

Section 14.14 INVESTIGATION

The Franchisee and any Affiliated Person(s) shall cooperate fully and faithfully with any lawful investigation, audit, or inquiry conducted by a Town governmental agency.

Article 15 EMPLOYMENT

Section 15.01 **EQUAL EMPLOYMENT OPPORTUNITY**

The Franchisee shall comply with all applicable State and federal laws regarding Equal Employment Opportunity.

Section 15.02 **NON-DISCRIMINATION**

The Franchisee shall adhere to all federal, State and local laws prohibiting discrimination in employment practices.

Article 16

MISCELLANEOUS PROVISIONS

Section 16.01 **ENTIRE AGREEMENT**

This instrument contains the entire agreement between the parties, supersedes all prior agreements or proposals except as specifically incorporated herein, and cannot be changed orally but only by an instrument in writing executed by the parties.

Section 16.02 **CAPTIONS**

The captions to sections throughout this Renewal Franchise are intended solely to facilitate reading and reference to the sections and provisions of the Renewal Franchise. Such captions shall not affect the meaning or interpretation of the Renewal Franchise.

Section 16.03 **SEPARABILITY**

If any section, sentence, paragraph, term or provision of this Renewal Franchise is determined to be illegal, invalid or unconstitutional, by any court of competent jurisdiction or by any State or federal regulatory agency having jurisdiction thereof, such determination shall have no effect on the validity of any other section, sentence, paragraph, term or provision hereof, all of which shall remain in full force and effect for the term of this Renewal Franchise.

Section 16.04 **ACTS OR OMISSIONS OF AFFILIATES**

During the term of this Renewal Franchise, the Franchisee shall be liable for the acts or omission of its Affiliates while such Affiliates are involved directly in the construction, upgrade, maintenance or operation of the Cable System for the provision of Service as if the acts or omissions of such Affiliates were the acts or omissions of the Franchisee.

Section 16.05 **RENEWAL FRANCHISE EXHIBITS**

The Exhibits to this Renewal Franchise, attached hereto, and all portions thereof, are incorporated herein by this reference and expressly made apart of this Renewal Franchise.

Section 16.06 **WARRANTIES**

The Franchisee warrants, represents and acknowledges, that, as of the Execution Date of this Renewal Franchise:

-Town of Milford Cable Television Renewal Franchise-

(a) The Franchisee is duly organized, validly existing and in good standing under the laws of the State of New Hampshire;

(b) The Franchisee has the requisite power and authority under applicable law and its by-laws and articles of incorporation and/or other organizational documents, is authorized by resolutions of its Board of Directors or other governing body, and has secured all consents which are required to be obtained as of the Execution Date of this Renewal Franchise, to enter into and legally bind the Franchisee to this Renewal Franchise and to take all actions necessary to perform all of its obligations pursuant to this Renewal Franchise; and

(c) To the best of the Franchisee's knowledge, there is no action or proceedings pending or threatened against the Franchisee which would interfere with performance of this Renewal Franchise.

Section 16.07 FORCE MAJEURE

If by reason of force majeure either party is unable in whole or in part to carry out its obligations hereunder, said party shall not be deemed in violation or default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; acts of public enemies; orders of any kind of the government of the United States of America or of the State of New Hampshire or any of their departments, agencies, political subdivision, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightening; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; civil disturbances; explosions; strikes; and unavailability of essential equipment and/or materials beyond the control of the Franchisee.

Section 16.08 REMOVAL OF ANTENNAS

The Franchisee shall not remove any television antenna of any Subscriber but shall offer to sell to said Subscriber an adequate switching device (" A/B Switch") to allow said Subscriber to choose between cable and non-cable television reception.

Section 16.09 SUBSCRIBER TELEVISION SETS

The Franchisee shall not engage directly or indirectly in the business of selling or repairing television or radio sets; provided, however, that the Franchisee may make adjustments to television sets in the course of normal maintenance.

Section 16.10 STATEMENT OF THE FRANCHISEE

As of the Execution Date, the performance of all terms and conditions in this Renewal Franchise is commercially practicable.

Section 16.11 **APPLICABILITY OF RENEWAL FRANCHISE**

All of the provisions in this Renewal Franchise shall apply to, and are enforceable against, the Town, the Franchisee, and their respective successors and assignees.

Section 16.12 **NOTICES**

(a) Every notice to be served upon the Franchising Authority shall be delivered or sent by certified mail (postage prepaid) to the Board of Selectmen, Town of Milford, Town Hall, 1 Union Square, Milford, N.H. 03055-4240, or such other address as the Franchising Authority may specify in writing to the Franchisee. Every notice served upon the Franchisee shall be delivered or sent by certified mail (postage prepaid) to the General Manager, Adelphia Cable Communications, 322 Nashua Road, Londonderry, N.H. 03053, and Adelphia Cable Communications, Attention Legal Department, 1 North Main Street, Coudersport, PA 16915 or such other address as the Franchisee may specify in writing to the Franchising Authority. The delivery shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of receipt of such notice(s).

(b) All required notices shall be in writing.

Section 16.13---**TOWN'S RIGHT OF INTERVENTION**

The Town hereby reserves to itself, and the Franchisee acknowledges the Town's right as authorized by applicable law or regulation to intervene in any suit, action or proceeding involving this Renewal Franchise, or any provision in this Renewal Franchise.

Section 16.14---**NO RECOURSE AGAINST THE FRANCHISING AUTHORITY**

Pursuant to Section 635A(a) of the Cable Act, in any court proceeding involving any claim against the Franchising Authority or other governmental entity or any official, member, employee, or agent of the Franchising Authority or such governmental entity, arising from the regulation of cable service or from a decision of approval or disapproval with respect to a grant, renewal, transfer, or amendment of this Renewal Franchise, any relief, to the extent such relief is required by any other provision of federal, State or local law, shall be limited to injunctive relief and declaratory relief. Nothing herein is intended to invalidate Section 635(A)(b), (c) and (d).

Section 16.15--- **TERM**

All obligations of the Franchisee and the Franchising Authority set forth in the Renewal Franchise shall commence upon the execution of this Renewal Franchise and shall continue for the term of the Renewal Franchise except as expressly provided for herein.

EXHIBITS

EXHIBIT 1

SIGNAL CARRIAGE

The Franchisee shall provide throughout the term of the Renewal Franchise the following broad categories of Programming services:

- Broadcast Stations
- Access Channels
- Family Programming
- Sports
- News and Weather Programming
- Variety Programming
- Cultural and Arts Programming
- Music Programming
- Educational and Children's Programming
- Government
- Financial and Business Programming

EXHIBIT 2

VIDEO CASSETTE RECORDER (VCR) POLICIES AND OPTIONS

(See Attached)

EXHIBIT 3

FREE CONNECTIONS AND MONTHLY SERVICE TO PUBLIC BUILDINGS AND SCHOOLS

The following public buildings, and all new public buildings built and/or otherwise occupied during the term of the Renewal Franchise, shall receive (i) one Drop and (ii) the monthly Basic Cable. Service and the monthly Cable Programming Service Tier ("CPST") at no charge to the Franchising Authority:

- + Town Hall
 - Banquet Hall
 - Selectmen's Meeting Room
 - Ambulance/Recreation Training Room
- + Fire Station
- + Police Station
- + Library
- + Town Garage
- +Garden Street Elementary School
- + Bales Elementary School
- + Jacques Elementary School + Milford Middle School + Milford High School
- + Proposed Elementary School on Osgood Road

EXHIBIT 4

CABLE MODEM SERVICES TO SCHOOLS AND LIBRARIES AT NO CHARGE

- + Garden Street Elementary School
- + Bales Elementary School
- + Jacques Elementary School
- + Milford Middle School
- + Milford High School
- + Proposed Elementary School on Osgood Road
- + Milford Public Library

EXHIBIT 5

ORINATION SITES

- + Town Hall
- + Milford Public Library
- + Milford Middle School
- + Milford High School

EXHIBIT 6

GROSS ANNUAL REVENUES REPORTING FORM TOWN OF MILFORD, NEW HAMPSHIRE

Cable Company: **Harron Cablevision of New Hampshire, Inc., d/b/a Adelphia Cable Communications**

Municipality: **Milford, New Hampshire**

Revenue Period: **Circle Appropriate Period**

- + February 15th for the previous three (3) month period from October 1st through December 31 st;
- + May 15th for the previous three (3) month period from January 1st through March 30th;
- + August 15th for the previous three (3) month period from April 1st through June 30th;
- + November 15th for the three (3) month period from July 1st through September 30th.

Year: _____

<u>Description</u>	<u>Revenues</u>
Basic Service	0.00
Cable Value/Sit	0.00
SA Digital Programming	0.00
Non Standard (Bulk)	0.00
Adelphianet (Powerlink)	0.00
Premium Channels	
Cinemax	0.00
HBO	0.00
Music S&S	0.00
Playboy	0.00
SA Digital	0.00
Show time	0.00
Starz	0.00
TMC	0.00
Golf Channel	0.00
Pay Per View	0.00
Installs	0.00
Converters	0.00
Remotes	0.00
Late Charges	0.00
Hospital	0.00
Miscellaneous	0.00
Adverting	0.00
Home Shopping / QVC	0.00
Gross Annual Revenues	\$
Franchise Fee Percentage	3% or 5% (circle appropriate %)
Franchise Fee Due/Enclosed	\$

EXHIBIT 7

FCC CUSTOMER SERVICE OBLIGATIONS

TITLE 47--TELECOMMUNICATION

CHAPTER I--FEDERAL COMMUNICATIONS COMMISSION

PART 76--CABLE TELEVISION SERVICE

Subpart H--General Operating Requirements

Sec. 76.309 Customer Service Obligations

(a) A cable franchise authority may enforce the customer service standards set forth in paragraph (c) of this section against cable operators. The franchise authority must provide affected cable operators ninety (90) days written notice of its intent to enforce the standards.

(b) Nothing in this rule should be construed to prevent or prohibit:

(1) A franchising authority and a cable operator from agreeing to customer service requirements that exceed the standards set forth in paragraph (c) of this section;

(2) A franchising authority from enforcing, through the end of the franchise term, pre-existing customer service requirements that exceed the standards set forth in paragraph (c) of this section and are contained in current franchise agreements;

(3) Any State or any franchising authority from enacting or enforcing any consumer protection law, to the extent not specifically preempted herein; or

(4) The establishment or enforcement of any State or municipal law or regulation concerning customer service that imposes customer service requirements that exceed, or address matters not addressed by the standards set forth in paragraph (c) of this section.

(a) Effective July 1, 1993, a cable operator shall be subject to the following customer service standards:

(1) Cable system office hours and telephone availability--

(i) The cable operator will maintain a local, toll-free or collect call telephone access line which will be available to its subscribers 24 hours a day, seven days a week.

(A) Trained company representatives will be available to respond to customer telephone inquiries during normal business hours.

(B) After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.

(ii) Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis. (iii) The operator will not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless an historical record of complaints indicates a clear failure to comply.

(iv) Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time. (v) Customer service center and bill payment locations will be open at least during normal business hours and will be conveniently located.

(2) Installations, outages and service calls. Under normal operating conditions, each of the following four standards will be met no less than ninety five (95) percent of the time measured on a quarterly basis:

(i) Standard installations will be performed within seven (7) business days after an order has been placed. "Standard" installations are those that are located up to 125 feet from the existing distribution system.

(ii) Excluding conditions beyond the control of the operator, the cable operator will begin working on "service interruptions" promptly and in no event later than 24 hours after the interruption becomes known. The cable operator must begin actions to correct other service problems the next business day after notification of the service problem.

(iii) The "appointment window" alternatives for installations, service calls, and other installation activities will be either a specific time or, at maximum, a four-hour time block during normal business hours. (The operator may schedule service calls and other installation activities outside of normal business hours for the express convenience of the customer.)

(iv) An operator may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.

(v) If a cable operator representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer.

(3) Communications between cable operators and cable subscribers--

(iii) Refunds--Refund checks will be issued promptly, but no later than either--

(A) The customer's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or

(8) The return of the equipment supplied by the cable operator if service is terminated.

(iv) Credits--Credits for service will be issued no later than the customer's next billing cycle following the determination that a credit is warranted-

(4) Definitions--

(i) Normal business hours-- The term "normal business hours" means those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

(ii) Normal operating conditions-- The term "normal operating conditions" means those service conditions which are within the control of the cable operator. Those conditions which are not within the control of the cable operator include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the cable operator include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the cable system.

(iii) Service interruption-- The term "service interruption" means the loss of picture or sound on one or more cable channels.

EXHIBIT 8

PASS-THROUGH OF PEG CAPITAL GRANT

Pursuant to Section 7.2 of this Renewal Franchise, the Franchisee is required to make a one- time PEG Access capital grant to the Franchising Authority in the amount of Seventy-Four Thousand Four Hundred Dollars (\$74,400.00).

The following are estimates of the rate at which the Franchisee may pass-through or itemize the PEG Access capital grant on a per Subscriber per month basis until the entire grant amount is fully amortized.

If the Franchisee passes-through or itemizes the PEG Access capital grant over an eight (8) year period, the Franchisee hereby agrees that it shall not pass-through or itemize the PEG Access capital grant in excess of twenty cents (\$.20) per Subscriber per month until the entire grant amount is fully amortized.

If the Franchisee passes-through or itemizes the PEG Access capital grant over a five (5) year period, the Franchisee hereby agrees that it shall not pass-through or itemize the PEG Access capital grant in excess of forty cents (\$.40) per Subscriber per month until the entire grant amount is fully amortized.

The parties hereto understand that if the number of Subscribers increase over any given period, the amount passed-through or line-itemed on a per Subscriber per month basis will decrease according. Conversely, if the number of Subscribers decreases over any given period, the amount passed-through or line-itemed on a per Subscriber per month basis will increase accordingly. In the event that the Franchisee's Subscriber count in Milford increases or decreases from the Subscriber count as of the Effective Date of this Renewal Franchise, the Franchisee shall notify the Franchising Authority of such fact in writing, including the revised number of Subscribers.

The parties hereto understand that if the Franchisee has a need to shorten or lengthen the period in which it passes-through or line-items the PEG Access capital grant, it may do so pursuant to applicable law(s), but in no event shall the Franchisee collect more than \$74,400.00 for the PEG Access capital grant.

EXHIBIT 9

LIST OF REQUIRED REPORTS

- (1)Construction Maps (Section 5.13);
- (2)Surveys (Section 6.2[b]);
- (3)Gross Annual Revenues Reporting Form (Section 8.1);
- (4)All Services Offered by the Franchisee (Section 9.2[a]);
- (5)Annual Certificates of Insurance and Performance Bond (Section 10.3);
- (6)Construction Reports (Section 14.2);
- (7)Financial Reports (Section 14.3);
- (8)Cable System Information (Section 14.4);
- (9)Telephone Reports (Section 14.5);
- (10) Subscriber Complaint Log (Section 14.6);
- (11) Individual Complaint Reports (Section 14.7);
- (12) Outage Log {Section 14.8);
- (13) Initial Performance Tests (Section 14.9);
- (14) Semi-Annual Performance Tests (section 14.10); and
- (15) Dual Filings (Section 14.12).

SIGNATURE PAGE

In Witness Whereof, this Renewal Franchise is hereby issued by the Board of Selectmen of the Town of Milford, New Hampshire, as Franchising Authority, and all terms and conditions are hereby agreed to by Harron Cablevision of New Hampshire, Inc., *d/b/a* Adelphia Cable Communications at Milford, New Hampshire, this 8th day of September, 2003.

THE TOWN OF MILFORD

Chairman

By: The Milford Board of Selectmen

HARRON CABLEVISION OF NEW HAMPSHIRE, INC.

By: Robert Wahl

**Title: Senior Vice-President,
Northeast Region**